

FINAL TERMS

No. 26

dated 05 April 2023

in connection with the Information Memorandum dated 16 September 2019, as supplemented, updated or replaced from time to time regarding the Structured Note Programme of

UBS AG

THE RISK FACTORS RELATING TO THE NOTES AND RELATING TO THE ISSUER ARE SET OUT IN THE INFORMATION MEMORANDUM, AS SUPPLEMENTED BY THE ADDITIONAL RISK FACTORS IN ANNEX II TO THESE FINAL TERMS.

THE NOTES ARE LINKED TO A REFERENCE PORTFOLIO. HOLDERS SHALL NOT HAVE ANY BENEFICIAL, PROPRIETARY OR OTHER INTEREST IN THE BASKET OR ANY CONSTITUENT THEREOF, AND NO CHARGE, MORTGAGE, PLEDGE, LIEN OR OTHER SECURITY OR QUASI-SECURITY INTEREST IS BEING GRANTED IN CONNECTION WITH THE NOTES.

FURTHER IMPORTANT INFORMATION REGARDING THE CURRENT COMPOSITION (INCLUDING THE RESPECTIVE WEIGHTS) AND THE CURRENT LEVEL OF THE REFERENCE PORTFOLIO UNDERLYING THE NOTES CAN BE REQUESTED FREE OF CHARGE AT ANY TIME FROM UBS AG AND/OR UBS SOUTH AFRICA (PTY) LIMITED (AT THE CONTACT DETAILS SET OUT IN PARAGRAPH 4 OF ANNEX I BELOW). THIS INFORMATION MAY BE MATERIAL IN RELATION TO THE VALUE OF THE NOTES AND THE LEVEL OF RISK WHICH IS ASSOCIATED WITH THE NOTES. ACCORDINGLY, EACH PROSPECTIVE INVESTOR SHOULD MAKE ITS OWN DECISION AS TO WHETHER TO OBTAIN THIS IMPORTANT INFORMATION AND TO CONSIDER THE IMPACT OF IT BEFORE MAKING ANY INVESTMENT DECISIONS.

THIS PRODUCT DOES NOT REPRESENT A PARTICIPATION IN ANY OF THE COLLECTIVE INVESTMENT SCHEMES PURSUANT TO ART. 7 SS OF THE SWISS FEDERAL ACT ON COLLECTIVE INVESTMENT SCHEMES (CISA) AND THUS IS NOT SUBJECT TO THE SUPERVISION OF THE SWISS FEDERAL BANKING COMMISSION (EIDGENÖSSISCHE BANKENKOMMISSION). THEREFORE, INVESTORS IN THIS PRODUCT ARE NOT ELIGIBLE FOR THE SPECIFIC INVESTOR PROTECTION UNDER THE CISA.

THIS DOCUMENT AND ANY OF ITS SUPPLEMENT(S) ARE NOT INTENDED TO BE AND DO NOT CONSTITUTE A SOLICITATION FOR INVESTMENTS FROM MEMBERS OF THE PUBLIC IN A COLLECTIVE INVESTMENT SCHEME IN TERMS OF THE SOUTH AFRICAN COLLECTIVE INVESTMENT SCHEMES CONTROL ACT, 2002 (AS AMENDED) ("CISCA") AND DOES NOT CONSTITUTE AN OFFER TO THE PUBLIC AS CONTEMPLATED IN SECTION 99 OF THE COMPANIES ACT, 2008 (AS AMENDED). A POTENTIAL INVESTOR WILL BE CAPABLE OF INVESTING IN THE PRODUCT ONLY UPON CONCLUSION OF THE APPROPRIATE INVESTMENT AGREEMENTS AND PROVIDED THE RELEVANT INVESTOR COMPLIES WITH ANY APPLICABLE EXCHANGE CONTROL REQUIREMENTS. THIS DOCUMENT AND ANY ATTACHMENTS THERETO CONSTITUTE FACTUAL, OBJECTIVE INFORMATION ABOUT THE PRODUCT AND NOTHING CONTAINED HEREIN SHOULD BE CONSTRUED AS CONSTITUTING ANY FORM OF INVESTMENT ADVICE OR RECOMMENDATION, GUIDANCE OR PROPOSAL OF A FINANCIAL NATURE IN RESPECT OF THE PRODUCT OR ANY TRANSACTION IN RELATION THERETO. NEITHER THE ISSUER NOR THE MANAGER OF THE PRODUCT ARE FINANCIAL SERVICES PROVIDERS IN SOUTH AFRICA AND NOTHING IN THIS DOCUMENT SHOULD BE CONSTRUED AS CONSTITUTING THE CANVASSING FOR, OR MARKETING OR ADVERTISING OF FINANCIAL SERVICES BY THE MANAGER OF THE PRODUCT IN OR INTO SOUTH AFRICA.

ISIN:	ZAE000320826
Common Code:	Not Applicable
Other securities code:	Not Applicable
Product Long Name:	UBS MERGE 04Apr28
Product Short Name:	UBS MERGE
Alpha Code:	MERGE
Pricing Date:	31 March 2023
Issue Date:	05 April 2023
Expiration Date:	04 April 2028

Issue of Portfolio Notes 1,000,000 linked to Mergence Global Quant Equity Portfolio (Series 26) (the "Notes")

These Final Terms are issued to give details of an issue of Notes under the Structured Note Programme of UBS AG (the "**Programme**") and are to be read in conjunction with the Information Memorandum dated 16 September 2019 relating to the Programme which may be supplemented by a supplement from time to time and which includes the Terms and Conditions of the Notes (the "**Terms and Conditions**").

Capitalised Terms not otherwise defined herein (or, where applicable, in Annex I hereto) shall have the meanings specified in the Terms and Conditions.

So far as the Issuer is aware, and save as set out in the additional Risk Factors in Annex II to these Final Terms, no person involved in the offer of the Notes has an interest material to the offer.

All references in these Final Terms to numbered sections are to sections of the Terms and Conditions, as supplemented, amended or replaced by the Additional South African Securities Conditions and all provisions in the Terms and Conditions corresponding to items in these Final Terms which are either not selected or completed or which are deleted shall be deemed to be deleted from the terms and conditions applicable to the Notes (the "**Conditions**").

The Issuer accepts responsibility for the information contained in these Final Terms and declares, that having taken all reasonable care to ensure that such is the case, the information contained in these Final terms is, to the best knowledge, in accordance with the facts and contains no omission likely to affect its import, save for the information regarding the Reference Portfolio and the Reference Portfolio Advisor, as set out in Annex I to these Final Terms.

The Issuer certifies that to the best of its knowledge and belief there are no facts that have been omitted from the Information Memorandum which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made and that the Information Memorandum contains all information required by applicable law and, in relation to any Tranche of Notes listed on the Main Board, the JSE Main Board Listings Requirements. The Issuer accepts full responsibility for the accuracy of the information contained in the Information Memorandum and the annual financial statements and/or any Final Terms and/or the annual report of the Issuer and any amendments or supplements to the aforementioned documents, except as otherwise stated therein.

The JSE takes no responsibility for the contents of the Information Memorandum and the annual financial statements and/or these Final Terms and/or the annual report of the Issuer and any amendments or supplements to the aforementioned documents. The JSE makes no representation as to the accuracy or completeness of the Information Memorandum, the annual financial statements and/or these Final Terms and/or the annual report of the Issuer and any amendments or supplements to the aforementioned documents and expressly disclaims any liability for any loss arising from or in reliance upon the whole or any part of the aforementioned documents. The JSE's approval of the registration of the Information Memorandum and listing of the debt securities is not to be taken in any way as an indication of the merits of the Issuers or of the debt securities and that, to the extent permitted by law, the JSE will not be liable for any claim whatsoever.

These Final Terms do not constitute an offer to sell or the solicitation of an offer to buy any Notes or an investment recommendation. Neither the delivery of these Final Terms nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date hereof or that the information contained herein is correct as of any date subsequent to this date.

The distribution of these Final Terms and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession these Final Terms come are required by the Issuer to inform themselves about and to observe any such restrictions. For a further description of certain restrictions on the offering and sale of the Series, see "*Subscription and Sale*" of the Information Memorandum as supplemented or amended by these Final Terms.

Prospective purchasers of any Notes should ensure that they understand fully the nature of the Notes and the extent of their exposure to risks, and that they consider the suitability of the Notes as an investment in the light of their own circumstances and financial position. Notes involve a high degree of risk, including the risk of their expiring worthless. Potential investors should be prepared to sustain a total loss of their investment in Notes. The Notes represent general, unsecured, unsubordinated, contractual obligations of the Issuer and rank *pari passu* in all respects with each other. Purchasers are reminded that the Notes constitute obligations of the Issuer only and of no other person. Therefore, potential purchasers should understand that they are relying on the credit worthiness of the Issuer.

1. Issuer: UBS AG, Zurich and Basel, Switzerland, acting through its London Branch.
2. Issuer Rating: Aa3 Moody's / A+ S&P's / AA- Fitch (as at Pricing Date)
3. (i) Series Number: 26
(ii) Tranche Number: 1
(iii) Date on which the Notes become fungible: Not Applicable
4. Language of Conditions: English only.
5. Specified Currency or Currencies: South African Rand ("ZAR").
6. Aggregate Principal Amount:
(i) Series: 1,000,000
(ii) Tranche: 1,000,000
7. (i) Issue Price: ZAR 100.00 per Note (100% of the Initial Reference Portfolio Level)
(ii) Net proceeds: ZAR 100,000,000
8. Specified Denomination(s): ZAR 100.00

The Notes are subject to the minimum trading size specified in paragraph 17 below.
9. (i) Issue Date: 05 April 2023
(ii) Interest Commencement Date: Not Applicable
10. (i) Maturity Date: The third Business Day immediately following the Expiration Date (as such date may be adjusted in accordance with the Additional Provisions in paragraph 50 (*Additional Provisions*) below).

(ii) Expiration Date: Subject to the Notes not having already been redeemed early and/or cancelled in accordance with the Conditions, and to the Additional Provisions in paragraph 50 (*Additional Provisions*) below, 04 April 2028 (subject to Market Disruption Events provisions, Early Redemption, Automatic Early Redemption and Unwind Disruption provisions), subject to extension at the option of the Issuer on two separate occasions, on each such occasion for an additional 5 years period (from the initial scheduled Expiration Date stated above or from the extended Expiration Date when relevant, each such date the "**Original Expiration Date**"), with a notice period of 14 calendar days prior to the relevant Original Expiration Date.

With respect to an extension of the term in accordance with the above paragraph, the Noteholder may, in respect of 100% of the Notes it owns, elect to redeem such Notes on the Maturity Date following the relevant Original Expiration Date (and the relevant Notes shall be redeemed on such date at the Optional Redemption Amount) (such option for the Investor, the "**Expiration Extension Termination Option**") by providing notice to the Issuer between the Last Date to Trade and the relevant Original Expiration Date.

Provided in each case, that if the initial scheduled or relevant extended Expiration Date is not a Constituents Business Day, then the first following day that is a Constituents Business Day shall apply.

The Issuer shall notify each Investor in the Notes of changes to the Expiration Date in accordance with the provisions set out above on each day falling 14 calendar days prior to (i) the Original Expiration Date; and (ii) any date falling 90 calendar days prior to the relevant Original Expiration Date on which the Issuer may elect to extend the Original Expiration Date in accordance with the provisions above.

11. (i) Interest Basis: Not Applicable
(ii) Day Count Fraction: Not Applicable
12. Redemption / Payment Basis: Subject to the Notes not having already been redeemed early and/or cancelled in accordance with the Conditions (including paragraph 10(ii) above), and to the Additional Provisions in paragraph 50 (*Additional Provisions*) below, each Note will be redeemed on the Maturity Date at its Final Redemption Amount.
13. Change of Interest or Redemption/Payment Basis: Not Applicable.
14. Put/Call Options: §4(3) (*Issuer's Call*) is applicable, provided that §4(3) (*Issuer's Call*) is deleted in full and replaced with the following:

"Subject to the Notes not having already been redeemed early and/or cancelled in accordance with the Conditions, and to any Additional Provisions specified in paragraph 50 (*Additional Provisions*) of the applicable Final Terms, the Issuer may redeem all of the Notes then outstanding on any Optional Redemption Date at their Optional Redemption Amount upon having given (i) not less than 30 Business Days' notice to Noteholders in accordance with Additional South African Securities Condition 8 and (ii), not less than 5 Business Days before the giving of the notice referred to in (i), notice to the Fiscal Agent (which notices shall be irrevocable and shall specify the Optional Redemption Date fixed for redemption).

For these purposes:

"Optional Redemption Amount" means an amount per Note in the Specified Currency equal to:

Specified Denomination x Max[Floor; (Final Reference Portfolio Level / Initial Reference Portfolio Level)]

Where:

"Optional Redemption Date" means the third Business Day immediately following a designated Optional Redemption Determination Date or the Original Expiration Date (to the extent that the Expiration Extension Termination Option has been exercised) (as such date may be adjusted in accordance with the Additional Provisions in paragraph 50 (*Additional Provisions*) below).

"Optional Redemption Determination Date" means 31 March, 30 June, 30 September and 31 December in each calendar year from, and including 30 June 2023 to, and including, the Expiration Date or, if any such day is not a Business Day, the immediately following Business Day.

"Floor" = 2%

"Final Reference Portfolio Level" means the Final Reference Portfolio Level (as defined in paragraph 29 (*Final Redemption Amount of each Note*)) on the applicable Optional Redemption Determination Date or the Original Expiration Date (to the extent that the Expiration Extension Termination Option has been exercised), as relevant, as calculated by the Calculation Agent.

§4(4) (*Noteholder's Put*) is not applicable.

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| 15. | Listing/Trading: | Application will be made to admit the Notes to listing on the Main Board of the Johannesburg Stock Exchange. |
| 16. | Last Day to Trade: | 17h00 on the day that is 3 JSE Scheduled Trading Days before the Record Date. |
| 17. | Notes may be listed and/or traded: | The Notes will only be offered with a minimum trading size of at least ZAR 1 million (calculated on the basis of the applicable number of Notes multiplied by the Specified Denomination). |
| 18. | Use of Proceeds: | General corporate purposes. |

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

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| 19. | Fixed Rate Note Provisions: | Not Applicable |
| 20. | Floating Rate Note Provisions: | Not Applicable |
| 21. | Constant Maturity Swap Floating Rate Notes / Constant Maturity Swap Spread-Linked Notes: | Not Applicable |
| 22. | Zero Coupon Note Provisions: | Not Applicable |
| 23. | Interest Bearing Linked Notes: | Not Applicable |

PROVISIONS RELATING TO REDEMPTION

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| 24. | Automatic Exercise: | Not Applicable. |
| 25. | Call Option: | Applicable in accordance with paragraph 14 (<i>Put/Call Options</i>) above. |
| 26. | Automatic Early Redemption: | Applicable in accordance with the following provisions of this paragraph 26. |

Subject to the Notes not having already been redeemed early and/or cancelled in accordance with the Conditions, and to the Additional Provisions in paragraph 50 (*Additional Provisions*) below, if an Automatic Early Redemption Event occurs, the Issuer shall redeem all of the Notes then outstanding on the Automatic Early Redemption Date at their Automatic Early Redemption Amount.

For these purposes:

"Automatic Early Redemption Amount" means an amount per Note in the Specified Currency equal to:

$$\text{Specified Denomination} \times \text{Max}[\text{Floor} ; (\text{Final Reference Portfolio Level} / \text{Initial Reference Portfolio Level})]$$

Where:

"Automatic Early Redemption Date" means the Business Day following an Automatic Early Redemption Determination Date (as such date may be adjusted in

accordance with the Additional Provisions in paragraph 50 (*Additional Provisions*) below).

“Automatic Early Redemption Determination Date” means the date on which an Automatic Early Redemption Event occurs (provided that if such day is not a Constituents Business Day with respect to each Constituent in the Reference Portfolio, the Automatic Early Redemption Determination Date shall be the immediately following day that is a Constituents Business Day with respect to each of the Constituents in the Reference Portfolio).

An **“Automatic Early Redemption Event”** will occur if the Reference Portfolio Advisor ceases to be, or to act as, the Reference Portfolio Advisor, as determined in the sole discretion of the Calculation Agent.

"Floor" = 2%

"Final Reference Portfolio Level" means the Final Reference Portfolio Level (as defined in paragraph 29 (*Final Redemption Amount of each Note*) on the applicable Automatic Early Redemption Determination Date, as calculated by the Calculation Agent.

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| 27. | Put Option: | Not Applicable. |
| 28.(a) | §4(2) Tax Call: | Applicable |
| 28.(b) | §4(5) Early Redemption following the occurrence of: | |
| | (i) Change in Law: | Applicable |
| | (ii) Hedging Disruption: | Applicable |
| | (iii) Increased Cost of Hedging: | Applicable |
| 29. | Final Redemption Amount of each Note: | The Final Redemption Amount per Note is an amount in the Specified Currency equal to: |

Specified Denomination x Max[Floor ; (Final Reference Portfolio Level / Initial Reference Portfolio Level)]

Where:

"Floor" = 2%

“Final Reference Portfolio Level” means the Reference Portfolio Level (as defined in paragraph 50 (*Additional Provisions*) below) on the Expiration Date, the Early Redemption Date or the Automatic Early Redemption Date (as applicable) and subject to Unwind Disruption, as the sum of:

- i) the notional unwind proceeds as converted into the Settlement Currency where applicable, using the prevailing currency exchange rate, as determined by the Calculation Agent in its sole and reasonable discretion, that would be realised by a notional investor (in the same position as the Issuer) when selling and/or unwinding the prevailing Constituents comprising the Reference Portfolio; and
- ii) the value of the Cash Position minus any accrued but not yet deducted Rebalance Fee and Reference Portfolio Fee as calculated by the Calculation Agent.

30. Early Redemption Amount(s) of each Note payable on redemption on an Event of Default or Tax Call and / or method of calculating the same (if required or if different from that set out in §4):
- The Early Redemption Amount per Note is an amount in the Specified Currency equal to:
- Specified Denomination x Max[Floor; (Final Reference Portfolio Level / Initial Reference Portfolio Level)]*
- Where:
- "Floor" = 2%
- "Final Reference Portfolio Level" means the Reference Portfolio Level (as defined in paragraph 29 (*Final Redemption Amount of each Note*)) on the date of the Issuer's notice of redemption (in the case of redemption pursuant to §4.2 (*Tax Call*)) or the date on which the Event of Default occurred (in the case of redemption pursuant to §8 (*Events of Default*)) (as such date may be adjusted in accordance with the Additional Provisions in paragraph 50 (*Additional Provisions*) below), as calculated by the Calculation Agent.

PROVISIONS RELATING TO INDEX LINKED NOTES

31. Index Linked Note Provisions: Not Applicable

PROVISIONS RELATING TO EQUITY LINKED NOTES

32. Equity Linked Note Provisions: Not Applicable

PROVISIONS RELATING TO FUND LINKED NOTES

33. Fund Linked Note Provisions: Not Applicable

PROVISIONS RELATING TO BOND LINKED NOTES

34. Bond Linked Note Provisions: Not Applicable

PROVISIONS RELATING TO COMMODITY LINKED NOTES

35. Commodity Linked Note Provisions: Not Applicable

PROVISIONS RELATING TO CURRENCY LINKED NOTES

36. Currency Linked Note Provisions: Not Applicable

PROVISIONS RELATING TO CREDIT LINKED NOTES

37. Credit Linked Note Provisions: Not Applicable

PROVISIONS RELATING TO EXCHANGEABLE NOTES

38. Exchangeable Note Provisions: Not Applicable

PROVISIONS RELATING TO TRENDS- NOTES

39. TRENDS Notes Provisions: Not Applicable

PROVISIONS RELATING TO FX FAST NOTES

40. FX FAST Notes Provisions: Not Applicable

PROVISIONS RELATING DUAL CURRENCY NOTES

41. Provisions for Dual Currency Notes: Not Applicable

PROVISIONS RELATING TO FUTURE LINKED NOTES

42. Future Linked Note Provisions: Not Applicable

GENERAL PROVISIONS APPLICABLE TO THE NOTES

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| 43. | Form of Notes: | Registered Form. |
| 44. | Relevant Financial Centre(s) or other special provisions relating to Payment Days (§5(2)): | Applicable.

Notwithstanding §5(2), “ Business Day ” means any day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in London and Johannesburg. |
| 45. | Details relating to Partly Paid Notes: | Not Applicable. |
| 46. | Rebalancing: | Not Applicable for the purposes of the Terms and Conditions of the Notes, as set out in the Information Memorandum.

Rebalancing (as defined in Annex I to these Final Terms) of the Reference Portfolio may be effected in accordance with the provisions of the Reference Portfolio Advisory Agreement.

The Reference Portfolio will be comprised, and potentially adjusted, pursuant to the Reference Portfolio Advisory Agreement. A summary of the related provisions of the Reference Portfolio Advisory Agreement are set out in Annex I to these Final Terms which investors should review carefully. |
| 47. | Redenomination, renominisation and reconventioning provisions: | Not Applicable |
| 48. | Consolidation Provisions: | Not Applicable |
| 49. | Price Discovery: | UBS intends, for so long as the Notes are listed on Main Board of the Johannesburg Stock Exchange, under normal market conditions, to provide live bid and offer prices via Bloomberg and/or Reuters (or any successor information provider) during normal market hours throughout each Business Day. |
| 50. | Additional Provisions: | Applicable. |

1. Consequences of Disrupted Days

Reference Portfolio Calculation Dates

As contemplated in the Reference Portfolio Advisory Agreement, in the event that the Calculation Agent determines that any Reference Portfolio Calculation Date is a Disrupted Day with respect to any Constituent or Eligible Constituent selected by the Reference Portfolio Advisor or the Delegated Reference Portfolio Advisor, if applicable for the purposes of a Rebalancing, then such Constituent or Eligible Constituent shall not be notionally sold or purchased on the relevant Rebalancing.

In addition, and for the purposes of determining the value of the Reference Portfolio as at such Reference Portfolio Calculation Date, (a) the price of each Constituent that is not affected by the occurrence of such Disrupted Day shall be the closing price of such Constituent on the relevant Exchange or Related Exchange on that Reference Portfolio Calculation Date and (b) the price of each Constituent that is affected by the occurrence of such Disrupted Day shall be

determined by the Calculation Agent in accordance with the paragraph below, as if such Reference Portfolio Calculation Date was the Redemption Determination Date.

The Redemption Determination Date

If the Calculation Agent determines that the Expiration Date, the Early Redemption Date or the Automatic Early Redemption Date, as applicable, is a Disrupted Day in respect of any Constituent, then for the purposes of determining the value of the Reference Portfolio as at such Expiration Date, Early Redemption Date or Automatic Early Redemption Date, as applicable Redemption Determination Date, (a) the price of each Constituent that is not affected by the occurrence of such Disrupted Day shall be the closing price of such Constituent on the relevant Exchange or Related Exchange on that Expiration Date, the Early Redemption Date or the Automatic Early Redemption Date, as applicable, and (b), in respect of each Constituent that is affected by the occurrence of such Disrupted Day, the Expiration Date, Early Redemption Date or the Automatic Early Redemption Date, as applicable shall be postponed to the following Constituents Business Day with respect to such Constituent *provided that* if such day does not occur within 8 (eight) consecutive Constituents Business Days immediately following the date scheduled to be the Expiration Date, the Early Redemption Date or the Automatic Early Redemption Date, as applicable, the price of such Constituent shall be determined by the Calculation Agent by reference to its good faith estimate of the fair market value for such Constituent on that eighth Constituents Business Day.

If the Expiration Date, the Early Redemption Date or the Automatic Early Redemption Date, as applicable for any Constituent is postponed in accordance with the preceding paragraph, the corresponding date for redemption of the Notes shall be automatically extended to the third Business Day following the Expiration Date, the Early Redemption Date or the Automatic Early Redemption Date, as applicable as so postponed.

Loss of Stock Borrow adjustment

If the Calculation Agent determines that a Loss of Stock Borrow has occurred, the Issuer is entitled to unwind the position on any affected Constituent in the Reference Portfolio and the Calculation Agent shall have the right to adjust the value of the Reference Portfolio to account for such Loss of Stock Borrow.

For these purposes:

“Constituents Business Day” means, in respect of all Constituents, a day on which (i) the relevant Exchange and the relevant Related Exchange are scheduled to be open for trading, notwithstanding any day on which they close for business prior to their regular weekday closing time and (ii) the Calculation Agent is open for business.

“Disrupted Day” means, in respect of any Constituent or Eligible Constituent, any Business Day on which the Calculation Agent determines in its discretion that a Market Disruption Event has occurred.

2. **Deleverage Event**

Not Applicable

3. **FX Disruption Event**

If at any time a FX Disruption Event occurs that the Issuer determines has a material impact on its obligations in respect of the Notes, the Issuer may take any of the following actions:

- (i) on giving notice to Noteholders in accordance with Additional South African Securities Condition 8, redeem all of the Notes then outstanding, each such Note being redeemed at its FX Disruption Event Redemption Amount; or
- (ii) notwithstanding any provisions in the Conditions to the contrary, postpone any payment date under the Notes until the eighth Business Day following the date on which the Calculation Agent determines the FX Disruption Event is no longer subsisting, and no interest or other amount shall be paid by the Issuer in respect of such postponement; or
- (iii) make any adjustment to the Conditions that it determines to be appropriate to account for the FX Disruption Event.

In respect of any Business Day on which an FX Disruption Event has occurred, the value of any Constituent (including for the purposes of determining the Reference Portfolio Level) that is not denominated in ZAR shall be determined (if applicable) by the Calculation Agent in its sole and absolute discretion.

For these purposes:

“Denomination Currency” means, with respect to a Non-ZAR Constituent, the currency in which such Non-ZAR Constituent is denominated.

“Designated Settlement Currency” means the currency selected by the Issuer in its sole and absolute discretion in which the Notes will be redeemed and settled pursuant to sub-paragraph 3(i) above, if applicable.

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

the Issuer's ability to hedge its position under the Product.

"FX Disruption Event Redemption Amount" means an amount per Note in the Designated Settlement Currency equal to the aggregate FX Disruption Unwind Proceeds (converted by the Calculation Agent, where necessary, into the Designated Settlement Currency) divided by the number of Notes then outstanding, as calculated by the Calculation Agent.

"FX Disruption Unwind Proceeds" means the net proceeds received by the Issuer (subject to a minimum of an amount equal to ZAR 5.00 per Note multiplied by the number of Notes outstanding) from terminating hedging positions entered into by the Issuer for the purposes of hedging its risks in respect of the Notes (which could be, as determined in the sole and absolute discretion of the Issuer, based on the level of each Constituent comprised in the Reference Portfolio), as determined in the reasonable discretion of the Calculation Agent.

"Non-ZAR Constituent" means a Constituent which is not denominated in ZAR.

4. **Unwind Disruption**

If, in respect of a Redemption Determination Date, the Calculation Agent determines in its sole and reasonable discretion that an Unwind Disruption Event has occurred and is continuing, the Redemption Determination Date may be postponed at the discretion of the Calculation Agent for a period of up to eight (8) Constituent Business Days. For the avoidance of doubt, the amount (if any) payable by the Issuer in respect of such Redemption Determination Date shall be determined by reference to the Redemption Determination Date as it is postponed (the **"Postponed Redemption Determination Date"**).

In the event that an Unwind Disruption Event is continuing on the Postponed Redemption Determination Date, the amount payable in respect of redemption of the Notes will be determined by reference to the Reference Portfolio Level on the Postponed Redemption Determination Date, as determined by the Calculation Agent acting in good faith, in accordance with (and subject to any minimum amount specified in) the relevant paragraph(s) of these Final Terms.

5. **Price Source Disruption Event**

If the Calculation Agent determines in its discretion that a Price Source Disruption Event has occurred and is continuing, (i) the Redemption Date, the Early Redemption Date or the Automatic Early Redemption Date, as applicable, may be postponed and therefore payment of the Redemption Amount, (ii) the Calculation Agent in its discretion may elect to use an alternative source for the relevant Constituent level and/or (iii) the Calculation Agent may unilaterally and in its discretion determine the applicable Constituent level.

Such postponement, use of alternative price source and/or determination of the applicable Constituent

level by the Calculation Agent may affect, materially or otherwise, the Redemption Amount which the Investor will receive.

6. **Conflict**

If any event occurs and / or circumstances arise which mean that, in accordance with the Conditions (including the foregoing provisions of this paragraph 50 (*Additional Provisions*)), the Issuer is permitted to, or required to, take (or refrain from taking) any particular action or make any determination, or any other circumstances apply, in respect of a Disrupted Day, an FX Disruption Event or an Unwind Disruption Event (or any other provision in the Conditions) (to the extent applicable, a "**Relevant Event**"), the Issuer shall elect in its sole and absolute discretion to act in accordance with the provisions of the Conditions applicable in respect of any one such Relevant Event, notwithstanding anything to the contrary in the Conditions (including the foregoing provisions of this paragraph 50 (*Additional Provisions*)). In such circumstances, the provisions of the Conditions applicable in respect of any other Relevant Event shall not apply.

7. **Additional defined terms**

"**Account Reference Rate Adjustment Event**" shall have occurred if an Account Reference Rate Component (i) has ceased to be, or will cease to be, available, (ii) is one which a relevant regulatory supervisor has determined is no longer, or as of a specified future date will no longer be, representative of the underlying market and economic reality that such rate is intended to measure, or (iii) is no longer suitable for the purpose of determining the Account Reference Rate taking into account the accrual rate or cost of financing incurred or charged by the Issuer, in each case as determined by the Calculation Agent in its sole discretion.

"**Constituent Business Day**" means, in respect of a Constituent, a day on which (i) the relevant Exchange and the relevant Related Exchange are scheduled to be open for trading, notwithstanding any day on which they close for business prior to their regular weekday closing time and (ii) the Calculation Agent is open for business.

"**Exchange**" means, in relation to a Constituent or Eligible Constituent, the principal exchange on which such Constituent or Eligible Constituent is traded or quoted, as determined in the reasonable discretion of the Calculation Agent.

The "**Initial Reference Portfolio Level**" is an amount equal to ZAR 100.00 per Note multiplied by the number of Notes outstanding, being the Reference Portfolio Level on the Pricing Date.

"**Intra-day Reference Portfolio Level (iRPL)**" except on the Expiration Date, the Early Redemption Date or the Automatic Early Redemption Date, as applicable, the Calculation Agent shall calculate the Intra-day Reference Portfolio Level in its sole discretion in respect of each Weekday, at multiple intervals during the Weekday, subject to a Market

Disruption Event (each a "**Intra-day Reference Portfolio Calculation**").

The iRPL in respect of each Intra-day Reference Portfolio Calculation is the sum of (i) the prevailing price or value of each Constituent at such Intra-day Reference Portfolio Calculation (taking into account the number of units of each Constituent in respect of which the Reference Portfolio has exposure), and (ii) the value of the Cash Position, all of the above as determined by the Calculation Agent in its sole and reasonable discretion.

The iRPL will be published on the UBS KeyInvest South Africa website at <http://keyinvest-za.ubs.com>.

Where the sum of absolute Exposures to Constituents which are no longer continuously available on an actively traded public market exceeds 10%, the iRPL will not be published.

The Final Reference Portfolio Level shall be determined by the Calculation Agent in accordance with the provisions under "**Redemption Amount**" above.

"**Market Disruption Event**" means in relation to a Constituent (or an Eligible Constituent in respect of a Rebalancing only), the occurrence or existence on any calendar day (other than a Saturday or Sunday) or on any number of consecutive calendar days (other than a Saturday or Sunday) any one or more of the following events:

- (i) a limitation, suspension, or disruption of trading in any Constituent (or component of any Constituent) imposed by the Exchange or the Related Exchange;
- (ii) the closing or settlement price for any Constituent (or component of any Constituent) is a "limit price", which means that the closing or settlement price for such Constituent for a day has increased or decreased from the previous day's closing price by the maximum amount permitted under applicable rules of the Exchange or the Related Exchange;
- (iii) failure by the Exchange, the Related Exchange or other price source as applicable to announce or publish the closing or settlement price in respect of any Constituent (or component of any Constituent);
- (iv) the Exchange or the Related Exchange for any Constituent fails to open for trading during its regular trading session;
- (v) the closure on any Exchange Business Day of any Exchange or Related Exchange in respect of any Constituent (or component of any Constituent), prior to its Scheduled Closing Time;
- (vi) any event (other than an early closure as described above) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general to effect transactions in, or obtain market values for any

Constituent (or any Eligible Constituent in respect of a Rebalancing only or component thereof);

(vii) an FX Disruption Event has occurred;

if in the determination of the Issuer or Calculation Agent, any such event is material.

“Notional Investor” means a hypothetical person with obligations similar to those of the Issuer in respect of the Notes, who has elected to hedge those obligations.

“Pricing Date” means 31 March 2023.

“Price Source Disruption Event” means an event which the Calculation Agent in its sole discretion determines, may result in it becoming impossible to obtain the price or level of one or more Constituents during the lifetime of the Product and/or on the Expiration Date, the Early Redemption Date or the Automatic Early Redemption Date, as applicable, due to one or more of the price sources normally used in the relevant market for the Constituents being unavailable because an unscheduled bank closure is declared on short notice in the relevant country or due to the occurrence of any other disruption.

“Redemption Determination Date” means the Expiration Date, the Optional Redemption Determination Date, the Automatic Early Redemption Determination Date, the Original Expiration Date (to the extent that the Expiration Extension Termination Option has been exercised) or the date on which the amount payable in respect of redemption of the Notes is to be determined for the purposes of paragraph 30 of these Final Terms, as applicable and as may be adjusted in accordance with the provisions of this paragraph 50 (*Additional Provisions*).

“Reference Rate Adjustment Event” shall have occurred if a Reference Rate Component (i) has ceased to be, or will cease to be, available, (ii) is one which a relevant regulatory supervisor has determined is no longer, or as of a specified future date will no longer be, representative of the underlying market and economic reality that such rate is intended to measure, or (iii) is no longer suitable for the purpose of determining the Reference Rate taking into account the accrual rate or cost of financing incurred or charged by the Issuer, in each case as determined by the Calculation Agent in its sole discretion.

“Reference Portfolio” means the reference portfolio created, advised on and maintained by the Reference Portfolio Advisor and benchmarked against MSCI World Net Total Return USD Index (Bloomberg page: NDDUWI Index) in accordance with the Reference Portfolio Advisory Agreement. For the avoidance of doubt, the Issuer may from time to time acquire or otherwise hold Constituents and / or Eligible Constituents of the Reference Portfolio but is under no obligation to do so in respect of the Notes.

“Reference Portfolio Advisory Agreement” means the reference portfolio advisory agreement between the Issuer, the Calculation Agent and Mergence

Investment Managers (Pty) Ltd (as the Reference Portfolio Advisor) dated on or around 31 March 2023 pursuant to which the Reference Portfolio will be comprised, and potentially adjusted, the principal terms of which are summarised in Annex I to these Final Terms.

“Reference Portfolio Calculation Date” means each Business Day.

“Reference Portfolio Fee” has the meaning given to that term in Annex I to these Final Terms.

“Reference Portfolio Level” except on the Expiration Date, the Early Redemption Date or the Automatic Early Redemption Date, as applicable, the Calculation Agent shall calculate the Reference Portfolio Level in its sole discretion in respect of each Weekday, subject to a Market Disruption Event (each a **“Reference Portfolio Calculation Date”**).

The Reference Portfolio Level in respect of each Reference Portfolio Calculation Date is the sum of (i) the closing price or value of each Constituent on such Reference Portfolio Calculation Date (taking into account the number of units of each Constituent in respect of which the Reference Portfolio has exposure), and (ii) the value of the Cash Position, all of the above as determined by the Calculation Agent in its sole and reasonable discretion.

“Reference Portfolio Value (“RPV”) means Reference Portfolio Level, as defined above.

“Related Exchange” means, in relation to a Constituent or Eligible Constituent, the principal exchange (if any) on which options or futures contracts relating to such Constituent or Eligible Constituent are traded or quoted, as determined in the reasonable discretion of the Calculation Agent.

“Settlement Currency” means, for the avoidance of doubt, South African Rand (**“ZAR”**).

“Unwind Disruption Event” means, in respect of any date, the Issuer or a Notional Investor would be unable to unwind investments, in any Reference Portfolio Constituent(s) on or by such date.

“Weekday” means any day other than a Saturday or Sunday.

51.	Additional Tax Disclosure:	Not Applicable
52.	Method of Distribution:	Non-Syndicated
53.	(i) If syndicated, names of Managers:	Not Applicable
	(ii) Firm Commitment:	Not Applicable
	(iii) No firm commitment/best efforts arrangement:	Not Applicable
54.	Commissions:	None
55.	If non-syndicated, name of Manager:	UBS South Africa (Pty) Ltd

56.	Applicable TEFRA rules:	TEFRA D
57.	Additional selling restrictions:	See Section titled "Subscription and sale" in the Information Memorandum
58.	Certification of non-U.S. status:	Applicable (TEFRA D)

OPERATIONAL INFORMATION

59.	ISIN:	ZAE000320826
60.	Common Code:	Not Applicable
61.	Other Securities Code(s):	Not Applicable
62.	Product Long Name:	UBS MERGE 04Apr28
63.	Product Short Name:	UBS MERGE
64.	Alpha Code:	MERGE
65.	Swiss Security number:	Not Applicable
66.	(i) Clearing System(s):	The Notes will be cleared through the CSD (Strate Proprietary Limited).
	(ii) Clearing System for delivery of the Underlying Securities:	Not Applicable.
	(iii) Physical Delivery:	Not Applicable.
67.	Delivery:	Delivery against payment
68.	South African Transfer Agent:	UBS South Africa (Pty) Ltd
69.	South African Paying Agent:	First Rand Bank Limited, acting through its division, First National Bank
70.	Additional Paying Agent(s) (if any):	Not Applicable
71.	Calculation Agent:	UBS AG, London Branch, 5 Broadgate, London, EC2M 2QS, United Kingdom.
72.	Authorised Amount of Notes:	Not Applicable
73.	Rating Agency:	Not Applicable
74.	Rating assigned to this Tranche (if any) and date of review of that credit rating:	Not Applicable
75.	Additional Events of Default:	Not Applicable

APPLICABLE LAW AND JURISDICTION

76.	Applicable law:	English law
77.	Place of jurisdiction:	Courts of England

Agent in respect of the Issuer's ongoing liquidity requirements

UBS South Africa (Pty) Ltd is the appointed agent of the Issuer. All the costs relating to the provision of liquidity will accrue to the portfolio.

Details of the bid and offer spread applied by the agent can be found at the following link on the Issuer's website: <https://keyinvest-za.ubs.com/product/detail/index/isin/ZAE000320826>

DISCLOSURE IN TERMS OF THE COMMERCIAL PAPER REGULATIONS

Disclosure Requirements in terms of paragraph 3(5) of the Commercial Paper Regulations of 14 December 1994 issued pursuant to paragraph (cc) of the definition of "the business of a bank" in the South African Banks Act set out in the Government Notice number 2172 and published in the Government Gazette number 16167 of 14 December 1994 (the "**Commercial Paper Regulations**").

At the date of the Final Terms:

Paragraph 3(5)(a)

The ultimate borrower is the Issuer.

Paragraph 3(5)(b)

The Issuer is a going concern and can in all circumstances be reasonably expected to meet its commitments under the Notes.

Paragraph 3(5)(c)

The auditor of the Issuer is Ernst & Young Ltd.

Paragraph 3(5)(d)

As at the date of this issue:

- (a) the Issuer has ZAR 4,825,000,000 (excluding the issuances listing as at Issue Date, all on the same day) in commercial paper outstanding; and
- (b) it is anticipated that the Issuer will issue additional commercial paper during the remainder of its current financial year ending 31 December 2023 up to an amount of ZAR 8,075,000,000.

Paragraph 3(5)(e)

Prospective investors in the Notes are to consider these Final Terms, the Information Memorandum, any supplement thereto and the documentation incorporated therein by reference in order to ascertain the nature of the financial and commercial risks of an investment in the Notes. In addition, prospective investors in the Notes are to consider the latest audited financial statements of the Issuer which are incorporated into the Information Memorandum by reference and which may be requested from the Issuer.

Paragraph 3(5)(f)

There has been no material adverse change in the Issuer's financial position since the date of its last audited financial statements.

Paragraph 3(5)(g)

The Notes will be listed on the Main Board of the JSE.

Paragraph 3(5)(h)

The funds to be raised through the issue of the Notes are to be used by the Issuer for its general corporate purposes.

Paragraph 3(5)(i)

The Notes are unsecured.

Paragraph 3(5)(j)

Ernst & Young Inc., the auditors appointed by the Issuer in South Africa for that purpose, have confirmed that nothing has come to their attention to cause them to believe that this issue of Securities does not comply in all material respects with the relevant provisions of the Commercial Paper Regulations.

The following documents or information shall also be deemed to be incorporated in, and form part of, these Final Terms: any Form 20-F filed by the Issuer with the United States Securities and Exchange Commission ("SEC"), as well as any Form 6-K that the Issuer submits to the SEC if the Form 6-K specifically states that it is incorporated by reference into registration statements that UBS AG files with the SEC pursuant to the US Securities Act 1933, as amended.

Signed on behalf of the Issuer:

By:




Melisa MacDonagh
Executive Director
Sales & Trading Legal

Duly authorised

Date: 03 April 2023

By:



Richard Lamb
Managing Director
Sales & Trading Legal

Duly authorised

ANNEX I

Reference Portfolio Description Document and the Reference Portfolio Advisor

1. General information

(a) Reference Portfolio Advisor

The Reference Portfolio Advisor shall be Mergence Investment Managers (Pty) Ltd.

The Reference Portfolio Advisor is regulated by the Financial Services Conduct Authority with the license number 16134.

(b) Reference Portfolio Description Document

The Mergence Global Quant Equity Portfolio (the "**Reference Portfolio**") is a notional South African Rand ("**ZAR**" or the "**Reference Portfolio Currency**") denominated reference portfolio, created, actively managed and maintained by the Reference Portfolio Advisor and benchmarked against MSCI World Net Total Return USD Index (Bloomberg page: NDDUWI Index).

The Reference Portfolio aims to replicate the performance of:

- (i) A cash position denominated in the Reference Portfolio Currency (the "**Cash Position**"), combined with (each of the below referred to as a "**Constituent**" and together the "**Constituents**"),
- (ii) long positions in stocks (each a "**Stock Constituent**") comprised in the Stock Investment Universe,
- (iii) long positions in exchange-traded funds (**ETFs**) (each an "**ETF Constituent**") comprised in the ETF Investment Universe,
- (iv) long positions in total return indices (each a "**Total Return Index Constituent**") comprised in the Equity Index Investment Universe,
- (v) long positions in synthetic currency accounts with positive notional cash balances (each a "**Synthetic Currency Account Constituent**") comprised in the Synthetic Currency Account Investment Universe.

The **Cash Position** shall together with the Constituents be referred to as the "**Reference Portfolio Components**". The performance of the Reference Portfolio will be net of the relevant fees and costs described herein.

The Cash Position will accrue interest at the prevailing reference rate (the "**Reference Rate**"), as described herein, which may be negative from time to time.

The Reference Portfolio Advisor has created the Reference Portfolio by selecting the initial Constituents (the "**Initial Constituents**") on 31 March 2023 (the "**Pricing Date**"). The Initial Constituents are listed in Section 4 below. The notional value of the Reference Portfolio (the "**Initial Reference Portfolio Level**") will be ZAR 100.00 on the Pricing Date.

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

The level of the Reference Portfolio (the "**Reference Portfolio Level**") is calculated in the Reference Portfolio Currency, net of fees and costs associated with the creation, maintenance and management of the Reference Portfolio, as described in Section 5 below.

The Calculation Agent may adjust the composition of the Reference Portfolio from time to time to account for corporate actions in respect of the Constituents and other similar events, as described in Section 6 below.

Whilst the Redemption Amount is linked to the market value of the Reference Portfolio Components, the Issuer is not obliged to invest the proceeds of the issuance of the Notes in any Reference Portfolio Component at any time and the holders of the Notes do not have any direct interest in, or beneficial ownership in or any voting rights in any Reference Portfolio Component at any time.

Unless otherwise specifically provided herein, terms used in this document shall have the meanings given to such terms in, and shall be interpreted in accordance with, the terms and conditions of the relevant product linked to the Reference Portfolio.

(c) **Reference Portfolio Investment Universe, title selection criteria and investment restrictions**

The Reference Portfolio, whose composition may vary from time to time, is actively managed by the Reference Portfolio Advisor and represents a notional investment in the Reference Portfolio Components as described below. The Reference Portfolio Advisor is not allowed to select any additional securities, assets, exposures or contracts for inclusion in the notional Reference Portfolio apart from the ones that are part of the Investment Universes described below. The Reference Portfolio Advisor may select any securities, assets, exposures or contracts from the Investment Universes for inclusion in the notional Reference Portfolio (with such securities, assets, exposures or contracts becoming "**Constituents**" after inclusion in the Reference Portfolio) in its reasonable discretion pursuant and subject to the provisions contained in this document. The Calculation Agent and/or Lead Manager may retain the right to reject the inclusion of any Eligible Constituent due to any applicable rules, regulations and internal or external restrictions according to the provisions as set out below in Section 3 ("**Investment Restrictions**") or Section 5 ("**Rebalancing of the Reference Portfolio**").

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

(d) **Stock Constituents**

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

Only Developed Market (as defined in the most recent MSCI Global Investable Market Indexes Methodology) worldwide stocks may be incorporated as Stock Constituents in the Reference Portfolio, subject to the Issuer's ability to access and offer such stocks, as determined by the Calculation Agent in its sole discretion.

Dividend Treatment:

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

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

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

2.1 Total Return Index Constituents

The Reference Portfolio may reference as Total Return Index Constituents long positions in from the universes described below. The permissible exposure or position in such Constituent is described below.

2.1.1 Equity Index Investment Universe

The Equity Index Investment Universe shall include the indices described below. The Reference Portfolio may have long positions in the indices described below.

Total Return Index Constituents include indices that are exposed to Developed Market (as defined in the most recent MSCI Global Investable Market Indexes Methodology) worldwide stocks, subject to the Issuer's ability to access and offer such indices at a commercially reasonable cost to the Issuer, as determined by the Calculation Agent in its sole discretion.

To the extent that any index referenced by the Reference Portfolio is commonly referred to as a price return index, such index shall be considered a Total Return Index Constituent and the reinvestment of any dividends shall be done in accordance with **Dividend Treatment**, as described in this section.

2.2 ETF Constituents

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

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

Dividend Treatment

For long positions in Constituents, a notional amount reflecting net dividends of such Constituents as converted into the Reference Portfolio Currency (if applicable) at the then prevailing currency exchange rate, each as determined by the Calculation Agent in its sole discretion, will be paid into the Cash Position on the ex-dividend date of that Constituent.

Where the declaration date of a dividend for an ETF Constituent is after the ex-dividend date of the respective Constituent, a notional amount reflecting the estimated net dividend shall be used as determined by the Calculation Agent its sole discretion.

2.3 Synthetic Currency Account Constituents

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

	Constituent	Currency	Account Reference Rate	Account Spread
1	USD Synthetic Currency Account	USD	United States SOFR Secured Overnight Financing Rate (Bloomberg page: SOFRRATE <Index>) (the "Account Relevant Screen Page") plus the Account Spread	In respect of positive notional cash balances, 0.00%

The inclusion of Synthetic Currency Account Constituents allows for the execution of notional FX spot transactions to convert between the currencies of various Synthetic Currency Account Constituents. A

Synthetic Currency Account Constituents represents a notional holding of a cash account denominated in a specific currency and accruing interest at the prevailing reference rate (the "**Account Reference Rate**") as shown above, which for the avoidance of doubt will be inclusive of a spread (each an "**Account Spread**"). The Account Reference Rate is observed on every Weekday.

2.4 Cash Position

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

The Reference Rate is observed on every week day and shall be equal to the South Africa Rand Overnight Deposit Rate (Bloomberg Page: RAONON Index) (the "**Relevant Screen Page**") plus a spread (the "**Spread**") (each a "**Reference Rate Component**").

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

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

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

3 Investment Restriction

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

3.1 Portfolio Investment Restrictions

3.1.1 The sum of the Exposures of all Constituents, is capped at a maximum of 100% (the "**Leverage Threshold**").

3.2 Constituent Investment Restrictions

3.2.1 The Weight of the Cash Position shall be greater than -5%.

3.2.2 The Weight of the Cash Position shall, on average throughout a calendar year, be smaller than 50%.

3.2.3 The Exposure of each Stock Constituent is capped at a maximum of 20%.

3.2.4 The Exposure of any single ETF Constituent is capped at 5%.

3.2.5 The sum of Exposure of all ETF Constituents is capped at 25%.

3.2.6 The absolute value of the Currency Exposure of each Stock and/or ETF Constituent shall not exceed 20% of its 30 day average daily trading volume, determined by the Calculation Agent in its sole discretion.

3.2.7 The absolute value of the Holdings of each ETF Constituent is capped at a maximum of 5% of the assets under management of such Constituent, as determined by the Calculation Agent in its sole discretion (the "Concentration Threshold").

For the avoidance of doubt: The responsibility and legal duty that the Reference Portfolio complies with the above guidelines is solely with the Reference Portfolio Advisor. The Issuer, Lead Manager

or Calculation Agent are not obliged to monitor adherence to the above guidelines, or to inform any parties of any failure by the Reference Portfolio Advisor to adhere to the above guidelines.

3.3 Consequences of Investment Restrictions Breaches

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

3.4 Additional Definitions

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

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

"Holdings" means, with respect to the Pricing Date or any Weekday and pertaining to an ETF Constituent, the Weight of such Constituent, multiplied by the Reference Portfolio Level and by the prevailing number of outstanding Portfolio Notes, all as determined by the Calculation Agent in its sole and reasonable discretion.

4 Initial Composition of the Reference Portfolio

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

	Bloomberg Ticker	Reference Portfolio Component	Base Currency	Weight
1	ZAR Currency	Cash Position	ZAR	100%
	TOTAL			100%

Further important information regarding the current composition (including the respective weights) and the current level of the Reference Portfolio underlying the notes can be requested free of charge at any time from UBS South Africa at the contact details set out below. This information may be material in relation to the value of the notes and the level of risk which is associated with the notes.

UBS South Africa (Pty) Ltd,
144 Oxford Road
2196 Johannesburg (South Africa)
Tel.: +27-(0)11 322 7000

For further information kindly contact:
UBS KeyInvest South Africa
Tel.: +27 11 322 7129 / 7317
E-mail: keyinvestza@ubs.com
Web: <http://keyinvest-za.ubs.com>

Alternatively, the current composition of the Reference Portfolio (including the respective Weights) may be requested free of charge at any time from UBS AG, P.O. Box, CH-8098 Zurich (Switzerland), via telephone (+41-(0)44-239 47 03), fax (+41-(0)44-239 69 14) or via e-mail (swiss-prospectus@ubs.com).

5 Rebalancing of the Reference Portfolio

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

The number of Rebalancings in any such 12 month period is expected to be less than 252.

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

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

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

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

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

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

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

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

- 5.6 The Calculation Agent or Lead Manager is entitled, but has no legal duty, to accept or refuse the notional acquisition or unwind of exposure to any Constituent. Furthermore, the Calculation Agent

or Lead Manager is entitled to require the Reference Portfolio Advisor to initiate a Rebalancing in certain circumstances including, but not limited to, the following:

- 5.6.1 The Reference Portfolio Advisor has selected a security, asset, exposure or contract for inclusion in the notional Reference Portfolio which is not part of the respective Investment Universes;
- 5.6.2 The Reference Portfolio is, or following the relevant Rebalancing would, breach any of the Investment Restrictions or any other rule or provision contained herein;
- 5.6.3 A Market Disruption Event (which includes a FX Disruption Event) has occurred in respect of the relevant Constituent on the relevant Reference Portfolio Adjustment Date;
- 5.6.4 The Calculation Agent determines that a Hedging Disruption has occurred in relation to the Constituent. In this paragraph, "**Hedging Disruption**" is deemed to have occurred if it would not be reasonably practicable or it would otherwise be undesirable, for any reason, for a notional investor (in the same position as the Issuer) to (i) close, continue or carry out transactions or acquire, exchange, hold or sell assets (respectively) which at the reasonable discretion of such notional investor are needed by such notional investor in order to provide protection against price risk or other risks with regard to obligations under the Products, or (ii) realise, reclaim or pass on proceeds from such transactions or assets (respectively) under conditions which are economically substantially equal to those on the issue date of the Products, as determined by the Calculation Agent, in its reasonable discretion. Such reasons may include, but are not limited to (a) any material illiquidity in the market for any Constituent or Eligible Constituent, (b) a change in any applicable law (including, without limitation, any tax law) or the promulgation of, or change in, the interpretation of any court, tribunal or regulatory authority with competent jurisdiction of any applicable law (including any action taken by a taxing authority), or (c) the general unavailability of market participants who would agree to enter into any such hedging transaction on commercially reasonable terms or at all; and
- 5.6.5 The Calculation Agent or Lead Manager determines that it would not be reasonably practicable for a notional investor in the same position as the Issuer to make purchases and/or sales of the Constituent(s), as the case may be, due to compliance, regulatory, reporting or reputational constraints, take-over considerations, internal restrictions or lack of internal approval.

In the event that the Calculation Agent or Lead Manager requires the Reference Portfolio to initiate a Rebalancing such that the Reference Portfolio complies with the foregoing, the Reference Portfolio Advisor shall, as soon as is reasonably practicable and without undue delay, initiate a Rebalancing such that the Reference Portfolio complies with the foregoing as at the immediately following Reference Portfolio Adjustment Date. The Reference Portfolio Advisor has no right to object to such Rebalancing required by the Calculation Agent or Lead Manager.

For the avoidance of doubt and notwithstanding the entitlements of the Calculation Agent or Lead Manager under this paragraph, the sole responsibility and legal duty to advise the Reference Portfolio in compliance with the rules and provisions contained in this document is with the Reference Portfolio Advisor.

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

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

5.8 In this Section:

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

6 Adjustments of the Reference Portfolio

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

For the avoidance of doubt and notwithstanding the entitlements of the Calculation Agent or Lead Manager under this paragraph, the sole responsibility and legal duty to advise the Reference Portfolio in compliance with the rules and provisions contained in this document is with the Reference Portfolio Advisor.

7. Fees and Costs applicable to the Reference Portfolio

The Reference Portfolio is calculated net of fees and costs associated with the creation, maintenance and management of the Reference Portfolio, as follows:

- (i) Reference Portfolio Advisor Fee (calculated daily): The Reference Portfolio Advisor will receive a fee of 0.00% per annum of the Reference Portfolio Level, deducted from the Reference Portfolio Level on a pro-rata daily basis as determined by the Calculation Agent.
- (ii) Issuer (calculated daily): The Issuer will receive a fee of 0.25% per annum of the Reference Portfolio Level, deducted from the Reference Portfolio Level on a pro-rata daily basis as determined by the Calculation Agent.
- (iii) Reference Portfolio Fee: The sum of the Reference Portfolio Advisor Fee and the Issuer Fee. The Reference Portfolio Fee shall be accrued within, and deducted from all Reference Portfolio Components proportionally.
- (iv) Rebalance Fee: A Rebalance Fee is levied for each Rebalancing, as defined in Annex 1, made in the Reference Portfolio and represents a percentage of the volume notionally acquired or unwound in a Constituent. Unwind costs to determine the Final Reference Portfolio Level shall constitute Rebalance Fees.

In respect of each Constituent, the Rebalance Fee is equal to:

- Stock Constituents	0.10%
- ETF Constituents	0.10%
- Total Return Index Constituents	0.10%
- Synthetic Currency Account Constituents	0.03%

The Rebalance Fee shall be accrued within, and deducted from, the Cash Position.

The Rebalance Fees fully remain with the Issuer.

(v) Distribution Fee: None

ANNEX II

GENERAL RISK WARNING

THE PURCHASE OF NOTES MAY INVOLVE SUBSTANTIAL RISKS AND IS SUITABLE ONLY FOR POTENTIAL INVESTORS WITH THE KNOWLEDGE AND EXPERIENCE IN FINANCIAL AND BUSINESS MATTERS AND DERIVATIVE PRODUCTS NECESSARY TO EVALUATE THE RISKS AND THE MERITS OF AN INVESTMENT IN THE NOTES.

BEFORE MAKING AN INVESTMENT DECISION, POTENTIAL INVESTORS SHOULD CONSIDER CAREFULLY, IN THE LIGHT OF THEIR OWN FINANCIAL CIRCUMSTANCES AND INVESTMENT OBJECTIVES, ALL THE INFORMATION SET FORTH IN THIS ANNEX II AND IN THE INFORMATION MEMORANDUM DATED 16 SEPTEMBER 2019, AS SUPPLEMENTED, UPDATED OR REPLACED FROM TIME TO TIME.

POTENTIAL INVESTORS IN THE NOTES SHOULD RECOGNISE THAT THE NOTES MAY DECLINE IN VALUE AND SHOULD BE PREPARED TO SUSTAIN A TOTAL LOSS OF THEIR INVESTMENT IN THE NOTES.

Risk factors relating to the Terms and Conditions of the Notes

Early Redemption

The Notes contain terms and conditions that allow the Issuer to terminate and redeem the Notes prior to the Maturity Date. In particular, but without limitation, the Notes may be subject to early redemption following exercise by the Issuer of the Issuer Call Option or following an Automatic Early Redemption Event, or an FX Disruption Event. In addition, the occurrence of a Change in Law, Hedging Disruption, an Increased Cost of Hedging and/or certain tax events could result in the Notes being subject to early redemption. For further information on the circumstances in which any such event or circumstances could occur, potential investors should refer to the Terms and Conditions of the Notes (in particular §4 thereof) and these Final Terms (in particular paragraphs 14 (*Put/Call Options*), 26 (*Automatic Early Redemption*) and 50 (*Additional Provisions*) thereof).

Potential investors should note that the amount payable in the event of early redemption may vary depending on the circumstances in which the Notes are redeemed and such amount may be, in any event, considerably below what the Reference Portfolio Level would otherwise have been on the scheduled redemption date of the Notes.

Currency Risk

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

Postponement of the Redemption Determination Date

The Notes contain terms and conditions pursuant to which the Redemption Determination Date may be postponed. In particular, but without limitation, the Redemption Determination Date may be postponed in the event that it is a Disrupted Day or in the event that an Unwind Disruption or an FX Disruption Event exists on such date. For further information on the circumstances in which any such event or circumstances could occur, potential investors should refer to these Final Terms (in particular paragraph 50 (*Additional Provisions*) thereof).

Potential investors should note that no compensation, interest or other amount is due in the event of any such postponement or extension.

Disrupted Days and FX Disruption Events

Investors are exposed to the occurrence of a Disrupted Day, which the Calculation Agent may determine has occurred if, in respect of any Constituent or Eligible Constituent, trading and/or transactions in the relevant Constituent or Eligible Constituent is or are adversely affected (including, without limitation, where trading and/or transactions are limited by reason of illiquidity, any circumstances of market or trading disruption or the unavailability for any reason of any quote, official price or valuation in relation to the relevant Constituent or Eligible Constituent). Investors are also exposed to the occurrence of an FX Disruption Event which may occur in the event that (i) it is generally illegal, impossible or inadvisable to convert one unit of any currency in which a Constituent is denominated (a "**Denomination Currency**") into ZAR, or it is impossible to deliver ZAR to accounts outside South Africa. An FX Disruption Event may also occur if it is

generally not possible to exchange ZAR for any Denomination Currency at a spot rate in a relevant exchange market.

The occurrence of a Disrupted Day or an FX Disruption Event may have an adverse impact on the amount payable to Noteholders, on redemption through delay in payment and/or a decline in value of the Reference Portfolio Level or a Constituent thereof. In addition, potential investors should note that, if an FX Disruption Event occurs and the Issuer elects to redeem the Notes early, the amount payable to Noteholders (if any) will be determined by reference to the proceeds received by the Issuer from terminating hedging positions entered into by the Issuer for the purposes of hedging its risks in respect of the Notes (subject to a minimum redemption amount equal to 5 per cent. of the Specified Denomination per Note). In these circumstances the Issuer may elect to pay any redemption proceeds in South African Rand or any other currency and Noteholders will bear any consequential exchange risk in relation to any such other currency.

For further information, potential investors should refer to paragraph 50 (*Additional Provisions*) of these Final Terms.

No secondary market

So long as the Notes are listed on the JSE, the Issuer has agreed to maintain a secondary market in respect of the Notes in accordance with the listing rules (provided that there are certain situations in which such secondary market may be suspended and/or discontinued). Other than as provided on the JSE, none of the Issuer, the Calculation Agent, the Manager, the Reference Portfolio Advisor or any other person makes any commitment to provide liquidity by means of bid and/or offer prices for the Notes, and assumes no obligation to quote any such prices or with respect to the level or determination of such prices.

Potential investors therefore should not rely on the ability to sell Notes at a specific time or at a specific price. Potential investors should note that prices quoted typically include a spread and therefore may deviate from the market value of the Notes. By selling the Notes in the secondary market investors may receive less than the capital invested.

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

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

Market Disruption risk

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

Risk factors relating to the Reference Portfolio

Nature of the Reference Portfolio

Amounts payable on redemption of the Notes are generally determined by reference to the performance of the Reference Portfolio over a specific time (although the Notes are subject to a minimum redemption amount equal to 5 per cent. of the Specified Denomination per Note). Accordingly, investors will be reliant on the Reference Portfolio performing positively between issuance and redemption of the Notes.

The Reference Portfolio Advisor has created and maintains the Reference Portfolio as a notional portfolio by selecting the initial Constituents and their weightings and thereafter actively managing and maintaining the Reference Portfolio by rebalancing the Reference Portfolio, i.e. changing the weightings of the Constituents, removing existing Constituents and selecting new Eligible Constituents, in its reasonable discretion.

For the avoidance of doubt, the Reference Portfolio is a notional portfolio that mirrors a theoretical investment according to the list of Constituents and their respective weightings, as adjusted from time to time. Therefore, as the Reference Portfolio is only notional and comprised only by theoretically included Constituents, there is no obligation of the Reference Portfolio Advisor or of the Issuer to make any real investment, or execute any transaction, in any Constituent. Furthermore there is no obligation of the Issuer to hedge itself in relation to the Reference Portfolio or any Constituent.

None of the Issuer, the Calculation Agent, the Manager, the Reference Portfolio Advisor or any other person makes any representation or warranty with respect to the performance of the Reference Portfolio or the economic success or lack of success of an investment in the Notes.

Further information about the Reference Portfolio and the Reference Portfolio Advisor's role is contained in the Description of the Reference Portfolio and the Reference Portfolio Advisor set out in Annex I.

The value of the Reference Portfolio and so, generally speaking, the amount of any redemption proceeds a Noteholder receives in respect of the Notes will depend heavily on the skills of the Reference Portfolio Advisor in analysing, selecting and acting in respect of the Constituents of the Reference Portfolio. Consequently, Noteholders should ensure they have made full investigation into the experience, skills and ability of the Reference Portfolio Advisor to act in this regard. Noteholders should be aware that the Reference Portfolio Advisor is independent of the Issuer and none of the Issuer, the Calculation Agent or the Manager shall be required to, and shall not, monitor the performance of the Reference Portfolio Advisor or of the Reference Portfolio and no such party makes any representation as to the skills or ability of the Reference Portfolio Advisor and has performed no diligence on it.

Risk relating to Reference Portfolio Advisor's Discretion

The performance of the Product is largely dependent on the skill and decisions made by the Reference Portfolio Advisor and/or the Delegated Reference Portfolio Advisor (as the case may be). Decisions made by the Reference Portfolio Advisor and/or Delegated Reference Portfolio Advisor (as the case may be) may not always be profitable and therefore may have a material adverse impact on the value of this Product. Moreover, past performance of other products managed by the Reference Portfolio Advisor does not guarantee future positive performance of this Product.

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

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

Uncertainty about performance

The value of the Reference Portfolio and/or the Reference Portfolio Constituents may vary over time and may increase or decrease by reference to a variety of factors e.g. corporate actions, macroeconomic factors and speculation. Potential investors should note that an investment in the Notes may be subject to similar risks to a direct investment in the Reference Portfolio Constituents. It is not possible to reliably predict the future performance of the Reference Portfolio Constituents or the Reference Portfolio. Likewise, the historical performance (if any) of the Reference Portfolio Constituents and/or the Reference Portfolio itself does not allow for any conclusions to be drawn about the future performance of any Reference Portfolio Constituent or the Reference Portfolio or the Notes. The Reference Portfolio and/or Reference Portfolio Constituents may have only a short operating history or may have been in existence only for a short period of time and may deliver results over the longer term that may be lower than originally expected.

No rights in the Reference Portfolio or any Reference Portfolio Constituents

None of the Issuer, the Calculation Agent, the Manager, the Reference Portfolio Advisor or any other person is under any obligation whatsoever to acquire or hold any Reference Portfolio Constituent. Accordingly, potential investors should be aware that neither the Reference Portfolio nor the Reference Portfolio Constituents will be held by the Issuer for the benefit of the Noteholders, and that Noteholders 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 the Reference Portfolio or any Reference Portfolio Constituent. As a general matter, Noteholders shall not have any beneficial, proprietary or other interest in the Reference Portfolio or any Constituent whatsoever and no charge, mortgage, pledge, lien or other security or quasi-security interest is granted in connection with the Notes.

Specific risks related to the performance of Reference Portfolio Constituents comprising shares

The performance of a share used as a Reference Portfolio Constituent depends on the performance of the company issuing the shares. But even regardless of the financial position, cash flows, liquidity and results of operations of the company issuing the shares, the price of a share can be subject to fluctuations or

adverse changes in value. In particular, the development of the share price can be influenced by the general economic situation and market sentiment. Negative performance of a share used as a Reference Portfolio Constituent can therefore have an adverse impact on the performance of the Reference Portfolio and amounts payable under the Notes.

Similar risks to a direct investment in shares

The performance of a share used as a Reference Portfolio Constituent may be subject to factors such as the dividend or distribution policy, financial prospects, market position, corporate actions, shareholder structure and risk situation of the issuer of the share, short selling activities and low market liquidity as well as to political influences. Accordingly, an investment in the Notes may bear similar risks to a direct investment in the shares comprising the Reference Portfolio.

The performance of the shares comprising the Reference Portfolio may be subject to factors outside the Issuer's sphere of influence, such as the risk of the relevant companies becoming insolvent, insolvency proceedings being opened over the companies' assets or similar proceedings under the laws applicable to the companies being commenced or similar events taking place with regard to the companies, which may result in a total loss for the Noteholder, or the risk that the prices of the Reference Portfolio Constituents are highly volatile. Dividend or distribution policy, financial prospects, market position, any capitalisation measures, shareholder structure and risk situation may also affect share prices.

In addition, the performance of Reference Portfolio Constituents depends particularly on the development of the capital markets, which in turn are dependent on the global situation and the specific economic and political environment. Shares in companies with low or average market capitalisation may be subject to even higher risks (e.g. with regard to volatility or insolvency) than shares in larger companies. Furthermore, shares in companies with a low market capitalisation may be extremely illiquid due to smaller trading volumes. Shares in companies having their seat or exerting their relevant operations in countries with a high legal uncertainty are subject to additional risks, such as the risk of governmental measures being taken or nationalisation taking place. This may result in the partial or total loss of value.

Risks specific to exchange traded funds

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

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

Other risks relating to the Notes

Conflicts of interest in relation to the Issuer and its affiliates

The Issuer and its affiliates may participate in transactions related to the Notes in some way, for their own account or for the account of a client. Such transactions may not serve to benefit the Noteholders and may have a positive or negative effect on the value of the Reference Portfolio or, as the case may be, any Reference Portfolio Constituent(s), and consequently on the value of the Notes. Furthermore, any such person may become a counterparty to hedging transactions relating to obligations of the Issuer stemming from the Notes. As a result, conflicts of interest can arise between such persons, as well as between such persons and investors, in relation to obligations regarding the calculations and determinations in relation to the Notes and other associated determinations.

Furthermore, the Issuer and its affiliates may issue other derivative instruments relating to the Reference Portfolio or, as the case may be, the Reference Portfolio Constituents and the introduction of such products may affect the value of the Notes. The Issuer and its affiliated companies may receive non-public information relating to Reference Portfolio Constituents and neither the Issuer nor any of its affiliates undertakes to make this information available to Noteholders. In addition, the Issuer and/or its affiliated companies may publish research reports on Reference Portfolio Constituents. Such activities could present conflicts of interest and may negatively affect the value of the Notes. Within the context of the offering and sale of the Notes, the Issuer or any of its affiliates may directly or indirectly pay fees in varying amounts to third parties, such as distributors or investment advisors, or receive payment of fees in varying amounts, including those levied in association with the distribution of the Notes, from third parties. Potential investors should be aware that the Issuer may retain fees in part or in full. The Issuer or, as the case may be, the Manager, upon request, will provide information on the amount of these fees.

Conflicts of interest in relation to the Reference Portfolio Advisor

The Reference Portfolio Advisor may not only act as Reference Portfolio Advisor with regard to the Reference Portfolio, but may at the same time act as asset manager or financial consultant with regard to investors in the Notes, and in various other roles, which may induce potential conflicts between investors' interests and Reference Portfolio Advisor's interests. Furthermore, certain persons authorised to act on behalf of the Reference Portfolio Advisor may be involved in placement and distribution of the Notes, and such involvement may also give risk to conflicts of interest between the Reference Portfolio Advisor and investors.

Calculation Agent's Discretion

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

Withholding tax

Potential investors should note that any payment under the Notes may be subject to withholding tax (such as, *inter alia*, Swiss Withholding Tax, and/or withholding related to FATCA or 871(m) of the US Tax Code). **Any payments due under the Notes are net of such tax.** Please refer to the Terms and Conditions of the Notes and the Information Memorandum for detailed information. If the Issuer is required to withhold any amount pursuant to Section 871(m) or FATCA of the U.S. Tax Code, the Issuer will not be required to pay additional amounts with respect to the amount so withheld.

Specifically, a 30% withholding tax is imposed on certain "dividend equivalents" paid or deemed paid to a non-U.S. holder with respect to a "specified equity-linked instrument" that references one or more dividend-paying U.S. equity securities. The withholding tax can apply even if the instrument does not provide for payments that reference dividends. Treasury regulations provide that the withholding tax applies to all dividend equivalents paid or deemed paid on specified equity-linked instruments that have a delta of one ("delta one specified equity-linked instruments") issued after 2016 and to all dividend equivalents paid or deemed paid on all other specified equity-linked instruments issued after 2018.

The Issuer will treat the Products as specified equity-linked instruments that are subject to withholding on dividend equivalents. The Issuer will withhold 30% in respect of dividend equivalents paid or deemed paid on the Products and will not pay any additional amounts with respect to any such taxes withheld. In respect of any Constituents which are U.S. equity securities, for purposes of determining the amount of a dividend treated as notionally reinvested, such dividend shall be reduced by the 30% withholding tax as referenced under the Dividend Treatment section of this Certificate. The Issuer hereby notifies each holder that for purposes of Section 871(m), the Issuer will withhold in respect of dividend equivalents paid or deemed paid

on the Products on the dividend payment date as described in Treasury regulations section 1.1441-2(e)(4) and Revenue Procedure 2017-15 §3.03(B), as applicable. If the Issuer is required to withhold any amount pursuant to Section 871(m) or FATCA of the U.S. Tax Code, the Issuer will not be required to pay additional amounts with respect to the amount so withheld. Investors in the Products should consult their own tax advisors regarding the application of the withholding tax to their Products and the availability of any reduction in tax pursuant to an income tax treaty. No assurance can be given that investors in the Products will be able to successfully claim a reduction in tax pursuant to an income tax treaty.