

## INVESTMENT PRODUCTS

<h3>Capital Protection Certificate with Participation (1100)</h3> <p><b>Market expectation</b></p> <ul style="list-style-type: none"><li>Rising underlying</li><li>Rising volatility</li><li>Sharply falling underlying possible</li></ul> <p><b>Characteristics</b></p> <ul style="list-style-type: none"><li>Minimum redemption at expiry equivalent to the capital protection</li><li>Capital protection is defined as a percentage of the nominal (e.g. 100%)</li><li>Capital protection refers to the nominal only, and not to the purchase price</li><li>Value of the product may fall below the capital protection during its lifetime</li><li>Participation in underlying price increase above the strike</li><li>Coupon payment possible</li></ul>	<h3>Barrier Capital Protection Certificate (1130)</h3> <p><b>Market expectation</b></p> <ul style="list-style-type: none"><li>Rising underlying</li><li>Sharply falling underlying possible</li><li>Underlying is not going to touch or breach the barrier during product lifetime</li></ul> <p><b>Characteristics</b></p> <ul style="list-style-type: none"><li>Minimum redemption at expiry equivalent to the capital protection</li><li>Capital protection is defined as a percentage of the nominal (e.g. 100%)</li><li>Capital protection refers to the nominal only, and not to the purchase price</li><li>Value of the product may fall below the capital protection during its lifetime</li><li>Participation in underlying price increase above the strike</li><li>Redemption at expiry equivalent to capital protection if upper barrier is breached</li><li>Possibility of rebate payment once barrier is breached</li><li>Limited profit opportunity</li></ul>	<h3>Capital Protection Certificate with Twin Win (1135)</h3> <p><b>Market expectation</b></p> <ul style="list-style-type: none"><li>Slightly rising or slightly falling underlying</li><li>Sharp movements of the underlying possible</li><li>Underlying will not touch or breach upper or lower barrier during product lifetime</li></ul> <p><b>Characteristics</b></p> <ul style="list-style-type: none"><li>Minimum redemption at expiry equivalent to the capital protection</li><li>Capital protection is defined as a percentage of the nominal (e.g. 100%)</li><li>Capital protection refers to the nominal only, and not to the purchase price</li><li>Value of the product may fall below the capital protection during its lifetime</li><li>Participation in underlying price increase above the strike</li><li>Redemption at expiry equivalent to capital protection if upper barrier is breached</li><li>Possibility of rebate payment once barrier is breached</li><li>Limited profit opportunity</li></ul>	<h3>Capital Protection Certificate with Coupon (1140)</h3> <p><b>Market expectation</b></p> <ul style="list-style-type: none"><li>Rising underlying</li><li>Sharply falling underlying possible</li></ul> <p><b>Characteristics</b></p> <ul style="list-style-type: none"><li>Minimum redemption at expiry equivalent to the capital protection</li><li>Capital protection is defined as a percentage of the nominal (e.g. 100%)</li><li>Capital protection refers to the nominal only, and not to the purchase price</li><li>Value of the product may fall below the capital protection during its lifetime</li><li>The coupon amount is dependent on the performance of the underlying</li><li>Periodic coupon payment is expected</li><li>Limited profit opportunity</li></ul>
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11 CAPITAL PROTECTION

<h3>Discount Certificate (1200)</h3> <p><b>Market expectation</b></p> <ul style="list-style-type: none"><li>Underlying moving sideways or slightly rising</li><li>Falling volatility</li></ul> <p><b>Characteristics</b></p> <ul style="list-style-type: none"><li>Contains a discount compared to the underlying value</li><li>Limited profit opportunity (cap)</li><li>If the underlying is above the strike at maturity, the investor receives the maximum redemption amount (cap)</li><li>If the underlying is below the strike at maturity: delivery underlying and/or cash settlement</li><li>Multiple underlyings (worst-of) enable more attractive product conditions, but with higher risk</li></ul>	<h3>Barrier Discount Certificate (1210)</h3> <p><b>Market expectation</b></p> <ul style="list-style-type: none"><li>Underlying moving sideways or slightly rising</li><li>Falling volatility</li><li>Underlying will not breach barrier during product lifetime</li></ul> <p><b>Characteristics</b></p> <ul style="list-style-type: none"><li>Contains a discount compared to the underlying value</li><li>Limited profit opportunity (cap)</li><li>If the underlying is above the strike at maturity or if the barrier has not been touched, the investor receives the maximum redemption amount (cap)</li><li>When touching the barrier, the product becomes a Discount Certificate (1200)</li><li>Due to the barrier, the probability of a maximum repayment is higher, but the discount is lower than for a discount certificate (1200) with otherwise identical product conditions</li><li>Multiple underlyings (worst-of) enable more attractive product conditions, but with higher risk</li></ul>	<h3>Reverse Convertible (1220)</h3> <p><b>Market expectation</b></p> <ul style="list-style-type: none"><li>Underlying moving sideways or slightly rising</li><li>Falling volatility</li></ul> <p><b>Characteristics</b></p> <ul style="list-style-type: none"><li>The coupon is being paid regardless of the performance of the underlying instrument</li><li>Limited profit opportunity (cap)</li><li>If the underlying is above the strike at maturity, the coupon is repaid together with the nominal value</li><li>If the underlying is below the strike at maturity: delivery underlying and/or cash settlement plus coupon</li><li>Multiple underlyings (worst-of) enable more attractive product conditions, but with higher risk</li></ul>	<h3>Barrier Reverse Convertible (1230)</h3> <p><b>Market expectation</b></p> <ul style="list-style-type: none"><li>Underlying moving sideways or slightly rising</li><li>Falling volatility</li><li>Underlying will not breach barrier during product lifetime</li></ul> <p><b>Characteristics</b></p> <ul style="list-style-type: none"><li>The coupon is being paid regardless of the performance of the underlying instrument</li><li>Limited profit opportunity (cap)</li><li>If the underlying is above the strike at maturity or if the barrier has not been touched, the investor receives the maximum redemption amount (cap)</li><li>When touching the barrier the product becomes a Reverse Convertible (1220)</li><li>Due to the barrier, the probability of a maximum repayment is higher, but the coupon is lower than for a reverse convertible (1220) with otherwise identical product conditions</li><li>Multiple underlyings (worst-of) enable more attractive product conditions, but with higher risk</li></ul>	<h3>Express Certificate without Barrier (1255)</h3> <p><b>Market expectation</b></p> <ul style="list-style-type: none"><li>Underlying moving sideways or slightly rising</li><li>Falling volatility</li></ul> <p><b>Characteristics</b></p> <ul style="list-style-type: none"><li>Coupon payment depends on conditions</li><li>Limited profit opportunity (cap)</li><li>Usually equipped with an autocall trigger: If the underlying is quoted above the autocall trigger on the observation date, the nominal amount plus any coupon is repaid early</li><li>Multiple underlyings (worst-of) enable more attractive product conditions, but with higher risk</li></ul>	<h3>Express-Barrier-Certificate (1260)</h3> <p><b>Market expectation</b></p> <ul style="list-style-type: none"><li>Underlying moving sideways or slightly rising</li><li>Falling volatility</li><li>Underlying will not breach barrier during product lifetime</li></ul> <p><b>Characteristics</b></p> <ul style="list-style-type: none"><li>Coupon payment depends on conditions</li><li>Limited profit opportunity (cap)</li><li>Usually equipped with an autocall trigger: If the underlying is quoted above the autocall trigger on the observation date, the nominal amount plus any coupon is repaid early</li><li>Touching the barrier results in an underlying delivery and/or cash settlement</li><li>Due to the barrier, the probability of a maximum repayment is higher, but the conditional coupon is lower than for an Express Certificate without barrier (1255) with otherwise identical product conditions</li><li>Multiple underlyings (worst-of) enable more attractive product conditions, but with higher risk</li></ul>
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12 YIELD ENHANCEMENT

<h3>Tracker Certificate (1300)</h3> <p><b>Market expectation</b></p> <ul style="list-style-type: none"><li>Rising underlying</li></ul> <p><b>Characteristics</b></p> <ul style="list-style-type: none"><li>Participation in performance of the underlying</li><li>Reflects underlying price moves 1:1 (adjusted by conversion ratio and any related fees)</li></ul>	<h3>Outperformance Certificate (1310)</h3> <p><b>Market expectation</b></p> <ul style="list-style-type: none"><li>Rising underlying</li><li>Rising volatility</li></ul> <p><b>Characteristics</b></p> <ul style="list-style-type: none"><li>Participation in performance of the underlying</li><li>Disproportionate participation (out-performance) in positive performance above the strike</li><li>Reflects underlying price moves 1:1 when below the strike</li></ul>	<h3>Bonus Certificate (1320)</h3> <p><b>Market expectation</b></p> <ul style="list-style-type: none"><li>Underlying moving sideways or rising</li><li>Underlying will not breach barrier during product lifetime</li></ul> <p><b>Characteristics</b></p> <ul style="list-style-type: none"><li>Participation in performance of the underlying</li><li>Minimum redemption is equal to the nominal provided the barrier has not been breached</li><li>If the barrier is breached, the product changes into a Tracker Certificate</li><li>With greater risk, multiple underlyings (worst-of) allow for a higher bonus level or lower barrier</li></ul>	<h3>Bonus Outperformance Certificate (1330)</h3> <p><b>Market expectation</b></p> <ul style="list-style-type: none"><li>Rising underlying</li><li>Underlying will not breach barrier during product lifetime</li></ul> <p><b>Characteristics</b></p> <ul style="list-style-type: none"><li>Participation in performance of the underlying</li><li>Disproportionate participation (out-performance) in positive performance above the strike</li><li>Minimum redemption is equal to the nominal provided the barrier has not been breached</li><li>If the barrier is breached, the product changes into an Outperformance Certificate</li><li>With greater risk, multiple underlyings (worst-of) allow for a higher bonus level or lower barrier</li></ul>	<h3>Twin Win Certificate (1340)</h3> <p><b>Market expectation</b></p> <ul style="list-style-type: none"><li>Underlying moving sideways or rising</li><li>Underlying will not breach barrier during product lifetime</li></ul> <p><b>Characteristics</b></p> <ul style="list-style-type: none"><li>Participation in performance of the underlying</li><li>Profits possible with rising and falling underlying</li><li>Falling underlying price converts into profit up to the barrier</li><li>Minimum redemption is equal to the nominal provided the barrier has not been breached</li><li>If the barrier is breached, the product changes into a Tracker Certificate</li><li>With higher risk levels, multiple underlyings (worst-of) allow for a higher bonus level or lower barrier</li></ul>
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13 PARTICIPATION

## Reference Entity Certificate with Conditional Capital Protection (1410)

**Market expectation**

- Rising underlying
- Sharply falling underlying possible
- No credit event of the reference entity

**Characteristics**

- There are one or more reference entities underlying the product
- In addition to the credit risk of the issuer, redemption is subject to the solvency (non-occurrence of a credit event) of the reference entity
- Redemption is made at least in the amount of conditional capital protection at maturity, provided that no credit event of the reference entity has occurred
- If a credit event occurs at its reference entity during the life time, the product will be redeemed at an amount corresponding to the credit event
- The product value can fall below conditional capital protection during its lifetime, among other things due to a negative assessment of reference issuer creditworthiness
- Conditional capital protection only applies to the nominal and not the purchase price
- Participation in performance of the underlying, provided a reference entity credit event has not occurred
- The product allows higher yield at greater risk

## Reference Entity Certificate with Yield Enhancement (1420)

**Market expectation**

- Underlying moving sideways or slightly rising
- Falling volatility of the underlying
- No credit event of the reference entity

**Characteristics**

- There are one or more reference entities underlying the product
- In addition to credit risk, redemption of the product is subject to the solvency (non-occurrence of a credit event) of the reference entity
- If a credit event occurs at the reference entity during its lifetime, the product will be redeemed at an amount corresponding to the credit event
- The product value can fall during its lifetime, among other things due to a negative assessment of reference issuer creditworthiness
- If the underlying is lower than the exercise price upon maturity, the underlying is delivered and/or a cash settlement is made, provided that no credit event of the reference entity has occurred
- If the underlying is higher than the exercise price upon maturity, the nominal is repaid, provided that no credit event of the reference entity has occurred
- Depending on the characteristics of the product, either a coupon or a discount to the underlying can apply
- A coupon is paid out regardless of the performance of the underlying, provided that no credit event of the reference entity has occurred
- In addition, the product can feature a barrier
- With greater risk, multiple underlyings (Worst-of) allow for higher coupons, larger discounts, or lower barriers
- Limited Profit Potential (cap)
- The product allows higher yield at greater risk

14 INVESTMENT PRODUCTS WITH REFERENCE ENTITIES

## Reference Entity Certificate with Participation (1430)

**Market expectation**

- Rising underlying
- No credit event of the reference entity

**Characteristics**

- There are one or more reference entities underlying the product
- In addition to credit risk, redemption of the product is subject to the solvency (non-occurrence of a credit event) of the reference entity
- If a credit event occurs at the reference entity during its lifetime, the product will be redeemed at an amount corresponding to the credit event
- The product value can fall during its lifetime, among other things due to a negative assessment of reference issuer creditworthiness
- Participation in performance of the underlying, provided a reference entity credit event has not occurred
- In addition, the product can feature a barrier
- The product allows higher yield at greater risk

## LEVERAGE PRODUCTS

<h3>Warrant (2100)</h3> <p><b>Market expectation</b></p> <ul style="list-style-type: none"><li>Warrant (Call): Rising underlying, rising volatility</li><li>Warrant (Put): Falling underlying, rising volatility</li></ul> <p><b>Characteristics</b></p> <ul style="list-style-type: none"><li>Small investment generating a leveraged performance relative to the underlying</li><li>Increased risk of total loss (limited to initial investment)</li><li>Suitable for speculation or hedging</li><li>Daily loss of time value (increases as product expiry approaches)</li><li>Continuous monitoring required</li></ul>	<h3>Spread Warrant (2110)</h3> <p><b>Market expectation</b></p> <ul style="list-style-type: none"><li>Spread Warrant (Bull): Rising underlying</li><li>Spread Warrant (Bear): Falling underlying</li></ul> <p><b>Characteristics</b></p> <ul style="list-style-type: none"><li>Small investment generating a leveraged performance relative to the underlying</li><li>Increased risk of total loss (limited to initial investment)</li><li>Daily loss of time value (increases as product expiry approaches)</li><li>Continuous monitoring required</li><li>Limited profit potential (cap)</li></ul>	<h3>Warrant with Knock-Out (2200)</h3> <p><b>Market expectation</b></p> <ul style="list-style-type: none"><li>Knock-Out (Call): Rising underlying</li><li>Knock-Out (Put): Falling underlying</li></ul> <p><b>Characteristics</b></p> <ul style="list-style-type: none"><li>Small investment generating a leveraged performance relative to the underlying</li><li>Increased risk of total loss (limited to initial investment)</li><li>Suitable for speculation or hedging</li><li>Continuous monitoring required</li><li>Immediately expires worthless if the barrier is breached during product lifetime</li><li>Minor influence of volatility and marginal loss of time value</li></ul>	<h3>Mini-Future (2210)</h3> <p><b>Market expectation</b></p> <ul style="list-style-type: none"><li>Mini-Future (Long): Rising underlying</li><li>Mini-Future (Short): Falling underlying</li></ul> <p><b>Characteristics</b></p> <ul style="list-style-type: none"><li>Small investment generating a leveraged performance relative to the underlying</li><li>Increased risk of total loss (limited to initial investment)</li><li>Suitable for speculation or hedging</li><li>Continuous monitoring required</li><li>A residual value is redeemed following a Stop-Loss Event</li><li>No influence of volatility</li></ul>	<h3>Constant Leverage Certificate (2300)</h3> <p><b>Market expectation</b></p> <ul style="list-style-type: none"><li>Long: Rising underlying</li><li>Short: Falling underlying</li></ul> <p><b>Characteristics</b></p> <ul style="list-style-type: none"><li>Small investment generating a leveraged performance relative to the underlying</li><li>Increased risk of total loss (limited to initial investment)</li><li>A potential stop loss and/or adjustment mechanism prevents the value of the product from becoming negative</li><li>Frequent shifts in direction of the price of the underlying have a negative effect on the product performance</li><li>Resetting on a regular basis ensures a constant leverage</li><li>Continuous monitoring required</li></ul>
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20 LEVERAGE

## Additional features

Categorization can be more closely defined as follows:

Asian Option	Uses the average underlying price over a number of predefined periods (monthly, quarterly, annually) rather than the price at a specific time.
Auto-Callable	If, on an observation day, the price of the underlying is either on or above (bull), or, on or below (bear) a previously defined barrier (autocall trigger), the product is redeemed prior to maturity.
Bearish	The product benefits from falling prices.
Callable	The issuer has the right to cancel early, however, there is no obligation to do so.
Capped Participation	The product has a maximum yield.
Conditional Coupon	A scenario exists where the coupon is not repaid (also: coupon at risk).
COSI	The issuer of Collateral Secured Instruments provides SIX Swiss Exchange with collateral covering their current value. For the investor this means protection in case of issuer default.
European Barrier	Only the last-day closing price is relevant for monitoring the barrier.
Floor	Represents the minimum amount which is redeemed at a product's expiry, independent of the performance of the underlying.
Invers	The product performs in inverse proportion to the underlying.
Lock-In	If the lock-in level is reached, repayment is at least in a preassigned amount regardless of future development of the underlying price.
Look-back	Barrier and/or strike are set with a time delay (Look-back phase).
Partial Capital Protection	Capital protection is between 90% and 100% of the nominal value.
Participation	Gibt an zu welchem Anteil der Anleger von der Kursentwicklung des Basiswertes profitieren. Dies kann 1:1, über- oder unterproportional sein.
Puttable	The investor has the right to return the product to the issuer on certain days during the term.
Variable Coupon	The coupon amount can vary, depending on a predefined scenario.