

## Key Information Document (“KID”)

### Purpose

This document provides the investor (“you”) with key information about this investment product. It is not marketing material. The information is required by law to help the investor understand the nature, risks, costs, potential gains and losses of this product and to help the investor compare it with other products.

## Tracker Certificate in CHF on Behavioral Global Equity Index

Swiss Securities Number: 112986035 | ISIN: CH1129860354 | SIX Symbol: UYHLTQ

Issuer: **Leonteq Securities AG** | www.leonteq.com | Call +41 58 800 1111 for more information

PRIIP Manufacturer: **Leonteq Securities AG** | Competent Authority: Not applicable | Production Date of the KID: 09.08.2022

The investor is about to purchase a product that is not simple and may be difficult to understand.

### 1. What is this product?

#### Type

This product is a Swiss Uncertificated Security under Swiss law.

#### Objectives

Objective of the product is to provide the investor with a specified entitlement according to predefined conditions. The Tracker Certificate allows the investor to participate in price movements of the Underlying (as described in more detail below) and is therefore in terms of risk comparable to a direct investment in the Underlying. The product offers the investor the right to exercise the product and the Issuer might terminate the product according to the Issuer’s Termination Right and the extraordinary termination provisions. The product has no fixed lifetime and will be redeemed after the investor has exercised or the Issuer has terminated the product. The possibilities for the redemption of the product are as follows:

(i) After the exercise or the termination or on the Redemption Date, the investor will receive a Cash Settlement in the Settlement Currency that equals the Final Fixing Level of the Underlying, further deducted by the Units, the Management Fee, the Calculation Agent Fee, the Collateral Fee, the Performance Fee and, as the case may be, the FX Rate.

The Management Fee, the Calculation Agent Fee, the Collateral Fee and the Performance Fee will be accrued on a daily basis pro rata. The Management Fee, the Calculation Agent Fee, the Collateral Fee and the Performance Fee reduces the redemption amount subject to the holding period and has a negative effect on the secondary market prices. The Management Fee, the Calculation Agent Fee, the Collateral Fee and the Performance Fee will be paid quarterly on the Observation Dates.

Each investor has an annual right, on 8 August, for the first time on 08/08/2023 to exercise the products for redemption by delivering a duly completed and signed redemption notice to the Index Calculation Agent.

The Issuer has the right to call all products for early redemption (the “**Termination Right**”) at any time with a 10 business days notice by announcement (the “**Termination Announcement**”). The Termination Announcement will specify the Final Fixing Date and the respective Redemption Date.

Different from a direct investment in the Underlying, the investor will not profit from dividend payment or any further entitlement resulting from the Underlying (e.g. voting rights). Any net distributions paid in relation to any Underlying Components will lead to an adjustment of the Index.

#### Underlying

The Underlying is an actively managed index (the “**Index**”) which is discretionarily managed by the Index Sponsor. The components of the Underlying (the “**Components**”) may be rebalanced on a regular basis. The Index Sponsor determines and is responsible for the composition of the Underlying and may add, replace or remove Components in accordance with a set of predefined index guidelines.

The Index universe consists of eligible Components and may include Cash Instruments and Shares as determined by the Index Sponsor.

<b>Currency of the product (Settlement Currency)</b>	Swiss Francs (“CHF”)	<b>Minimum Investment / Minimum Trading Lot</b>	CHF 1'000.00
<b>Issue Date</b>	15/08/2022	<b>Initial Fixing Date</b>	08/08/2022
<b>Last Trading Day/Time</b>	Open-end	<b>First Exchange Trading Date</b>	15/08/2022
<b>Redemption Date</b>	Means the 5th Business Day following the Final Fixing Date (subject to Settlement Disruption Event provisions)	<b>Final Fixing Date</b>	In the case of 1) an Issuer’s Redemption as specified in the Redemption Announcement or 2) in case of an Investor Redemption, for this specific investor the 5th business day following the day, on which the duly completed and signed Redemption Notice is delivered to the paying agent
<b>Denomination</b>	CHF 1'000.00	<b>Issue Price</b>	100.00%
<b>Final Fixing Level</b>	Official close of the Underlying on the Final Fixing Date as calculated and published by the Index Sponsor.	<b>Settlement Type</b>	Cash Settlement
<b>Exchange Listing</b>	SIX Swiss Exchange	<b>Underlying</b>	Behavioral Global Equity Index
<b>Index Sponsor</b>	AGFIF International AG	<b>Calculation Agent</b>	Leonteq Securities AG
<b>Initial Fixing Level (Index Value<sub>0</sub>)</b>	CHF 1'000.00	<b>Initial FX Rate (FX Rate<sub>0</sub>)</b>	1.00000
<b>Units<sub>0</sub></b>	1.00000	<b>Observation Dates</b>	Quarterly, from (and including) 30/09/2022; if a specific Observation Date is not a Scheduled Trading Day then the following Scheduled Trading Day will be deemed to be an Observation Date.
<b>Calculation Agent Fee (CAF)</b>	0.30% p.a.	<b>Management Fee (MF)</b>	1.25% p.a.
<b>Collateral Fee (CF)</b>	0.20% p.a.	<b>Performance Fee (PF)</b>	10.00%

The product terms provide that if certain exceptional events occur (1) adjustments may be made to the product and/or (2) the Issuer of the product may terminate the product early. These events are specified in the product terms and principally relate to the Underlying(s), the product and the Issuer of the product. For instance, these exceptional events are including but not exclusively limited to the cessation of an Underlying, tax events and the discontinuation of the Issuer’s ability to carry out the necessary hedging transactions. In the event of termination, the Redemption Amount may possibly be significantly below the purchase price. Even a total loss of the investment is possible.

**Intended retail investor**

- The product is aimed at retail investors who intend to form private assets and have a long-term investment horizon.
- The investor can bear losses up to the total loss of the investment amount and attaches no importance to products with capital guarantee.
- **KNOWLEDGE & EXPERIENCE:** Investors who have the following characteristics: Basic knowledge of the financial instruments in question (a basic investor can take investment decisions based on regulatory documents or basic information provided by the distributor); no experience of financial markets

**2. What are the risks and what could the investor get in return?****Risk Indicator**

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because the Issuer is not able to pay the investor.

We have classified this product as 4 out of 7, which is a medium risk class.

This rates the potential losses from future performance at a medium level, and poor market conditions are very unlikely to impact the capacity of the Issuer to pay the investor of the product.

**The investor shall be aware of currency risk. If the investor receives payments in a different currency, the final return that the investor gets will depend on the exchange rate between the two currencies. This risk is not considered in the indicator shown above.**

This product does not include any protection from future market performance so the investor could lose some or all of its investment.

If the Issuer is not able to redeem the investor what is owed, the investor could lose the entire investment.

For detailed information about all risks please refer to the risk sections of the legal documentation as specified in the section 'Other relevant information' below.

**Performance Scenarios**

Investment CHF 10,000 Scenario		1 year	3 years	5 years (Recommended Holding Period)
Stress Scenario	What the investor might get back after costs	CHF 3096.02	CHF 5492.41	CHF 4256.31
	Average return each year	-69.04%	-18.06%	-15.70%
Unfavourable Scenario	What the investor might get back after costs	CHF 7967.56	CHF 6290.20	CHF 5449.69
	Average return each year	-20.32%	-14.28%	-11.43%
Moderate Scenario	What the investor might get back after costs	CHF 10082.58	CHF 9178.11	CHF 8763.66
	Average return each year	0.83%	-2.81%	-2.60%
Favourable Scenario	What the investor might get back after costs	CHF 11855.62	CHF 13975.95	CHF 13403.26
	Average return each year	18.56%	11.77%	6.03%

This table shows the money the investor could get back over the next years and on the Redemption Date under different scenarios, assuming that the investor invests CHF 10,000.00.

The scenarios shown illustrate how the investor's investment could perform. The investor can compare them with scenarios of other products.

The scenarios presented are an estimate of future performance based on evidence from the past on how the value of the product varies, and are not an exact indicator.

What the investor gets back will vary depending on how the market performs and how long the investor keeps the investment/product.

The stress scenario shows what the investor might get back in extreme market circumstances, and it does not take into account the situation where the Issuer is not able to pay the investor.

The Investor shall be aware that the scenario analysis above does not take into account the Stop Loss Level of the product.

This product cannot be easily cashed in. This means it is difficult to estimate how much the investor would get back if the investor would sell it before the recommended holding period. The investor will either be unable to sell early or the investor will have to pay high costs or make a large loss if the investor does so.

The figures shown include all the costs of the product itself, but may not include all the costs that the investor pays to the advisor or distributor. The figures do not take into account the investor's personal tax situation, which may also affect how much the investor gets back.

**3. What happens if the Issuer is unable to pay out?**

The investor is exposed to the risk that the Issuer might be unable to fulfil its obligations in respect of the product e.g. in the event of insolvency (inability to pay / over-indebtedness) or administrative order. A total loss of the investor's capital invested is possible. The product is a debt instrument and as such is not covered by any deposit protection scheme.

This Product is collateralised in accordance with the terms and conditions of the TCM Security Agreement for Triparty Collateral Management Secured Structured Products ("TCM Secured Structured Products"). The Investor's exposure to the credit risk of the Issuer and the Guarantor, if any, is only mitigated due to collateralization. More detailed information regarding the collateralisation can be found in the programme.

**4. What are the costs?****Cost over time**

The Reduction in Yield (RIY) shows what impact the total costs the investor pays will have on the investment return the investor might get. The total costs taken into account one-off, ongoing and incidental costs.

The amounts shown here are the cumulative costs of the product itself. They include potential early exit penalties. The figures assume the investor invests CHF 10,000. The figures are estimates and may change in the future.

The person selling to the investor or advising the investor about this product may charge other costs. If so, this person will provide the investor with information about these costs, and show the investor the impact that all costs will have on the investor's investment over time.

Investment CHF 10,000	If the investor cashes in the product after 1 year	If the investor cashes in the product after 3 years	If the investor cashes in the product at the end of the recommended holding period
Total costs	CHF 384.18	CHF 671.17	CHF 1'002.18
Impact on return (RIY) per year	3.84%	2.31%	2.13%

**Composition of Costs**

The table below shows:

- the impact each year of the different types of costs on the investment return the investor might get at the end of the recommended holding period.
- the meaning of the different cost categories.

This table shows the impact on return per year			
One-off costs	Entry costs	0.17%	The impact of the costs already included in the price.
	Exit costs	0.50%	The impact of the costs of exiting your investment when it matures.
Ongoing costs	Portfolio transaction costs	0.30%	The impact of the costs of us buying and selling underlying investments for the product.
	Other ongoing costs	1.55%	The impact of the costs that we take each year for managing your investments.
Incidental costs	Performance fees	10.00%	The impact of the performance fee.
	Carried interests	-	Not applicable

#### 5. How long should the investor hold it and can the investor take money out early?

##### Recommended holding period: 5 years

The average investor holds this kind of product for about 5 years on average. Furthermore, this period enhances the comparability with other investment products without a fixed lifetime. The investor has the possibility to call the products for redemption according to the "Investor's Termination provisions as described under "1. What is this product?" above. Further, the product might be sold through the exchange where the product is listed or off-exchange.

Under normal market conditions, the price at which the investor may sell the product will depend on the market parameters prevailing at the time, which could put the invested amount at risk.

In unusual market situations, or in the event of technical faults/disruptions, a purchase and/or sale of the product can be temporarily hindered, or may not be possible at all.

#### 6. How can the investor complain?

Any complaint regarding the person advising on, or selling, the product on the relevant website can be submitted directly to that person.

Any complaint regarding the product or the conduct of the Issuer of this product can be submitted to the following address: Leonteq Securities AG, Europaallee 39, 8004 Zurich, Switzerland, [kid@leonteq.com](mailto:kid@leonteq.com), [www.leonteq.com](http://www.leonteq.com)

#### 7. Other relevant information

Any additional documentation in relation to the product and in particular the final terms or the pricing supplement and the issuance and offering programme (including any supplements hereto) are published on the website: [www.leonteq.com](http://www.leonteq.com). In order to obtain more detailed information – and in particular details of the structure of and risks associated with an investment in the product – the investor should read these documents.

Furthermore, Leonteq Securities AG created the KID after having made certain assumptions and exercised certain discretion with respect to calculations of key figures and performance scenarios and is going to reassess and adapt its assumptions as it deems appropriate from time to time.