

100% Capital Secure Eurozone Equity Bond

Investment Rationale

1. Key Investment Risk & Return Considerations

The table below describes the key Investment Risk and Investment Return characteristics that Financial Brokers should consider when recommending this Bond to retail investor clients:

Feature	Description
Investment Theme	Eurozone Equities Benchmark Equity Market EuroStoxx 50 Index
Rationale for Theme	<p>Although investing in equities (shares) involves a degree of investment risk and there will be volatile periods along the way, in the long term, equities tend to outperform other assets like bonds, property, cash etc. By adopting a medium term approach, equity investors can mitigate the risks and short term volatility associated with stock market investment while benefiting from the long term capital growth potential that stock markets can provide.</p> <p>Stock Market Indices provide a broad representative portfolio of investments in multiple companies or shares. Indexes are often used as benchmarks to gauge the movement and performance of market segments or geographic regions. Investors generally use Indexes as a basis for diverse or passive investing.</p> <p>The Index is a Benchmark Equity Index giving broad, passive exposure to the Eurozone Equity Market.</p>
Return Potential	<p>Negative: 0% Positive: 20%</p> <p>Investors will receive a 20% return if the Index is at or above its initial level on the Final Valuation Date</p> <p>Maximum Return: 20%</p>
Investment Risk Level	Low
SRI	2
Hard Capital Protection	100%
Investment Term	5 Years (Medium)
Unique Features	Potential for a 20% Investment Return if the Underlying Investment Index is at or above its initial level at the Final Valuation Date
Product Compromises	Opportunity Cost: Investment Returns could be higher if no Capital Protection feature applied. Investment Returns could be higher if investing directly in Eurozone equities rather than fixing the return at 20% for no or negligible performance by the Underlying Index.

	5 Year Term: Bond is designed to be held for the full 5 year term.
Liquidity	Yes
Taxation	Income Tax for Personal Investors Exempt for Pension & Post Retirement Schemes

2. Investment Rationale in more detail

The investment rationale for investing in the Bond can be summarised as follows:-

- 1. Capital Protection:**
100% Capital Protection at Maturity.
- 2. Potential Jump Coupon of 20%:**
20% Return if the Index is above its initial level at the Final Valuation Date.
- 3. Investing in the Eurozone and the Eurozone stock market.**
- 4. Equities as a Long Term Investment and the EuroStoxx 50 Index**

Equities as a Long Term Investment

Although investing in equities (shares) involves a degree of investment risk and there will be volatile periods along the way, in the long term, equities tend to outperform other assets like bonds, property, cash etc. By adopting a medium term approach, equity investors can mitigate the risks and short term volatility associated with stock market investment while benefiting from the long term capital growth potential that stock markets can provide.

Stock Market Indices provide a broad representative portfolio of investments in multiple companies or shares. Indexes are often used as benchmarks to gauge the movement and performance of market segments or geographic regions. Investors generally use Indexes as a basis for diverse or passive investing. The EuroStoxx 50 Index is a benchmark Index of Eurozone shares.

The EuroStoxx 50 Index

The EuroStoxx 50 Index tracks the Eurozone's supersector leaders, resulting in a diversified and liquid portfolio of 50 Eurozone shares. The index's weighting is based on free-float market capitalisation, with a maximum weight of 10 percent per constituent.

The blue-chip benchmark underlies more than 25 billion euros in ETF assets, while futures and options on the index are the most actively traded equity index derivatives on Eurex. More than 160,000 structured products are linked to the EuroStoxx 50 Index.

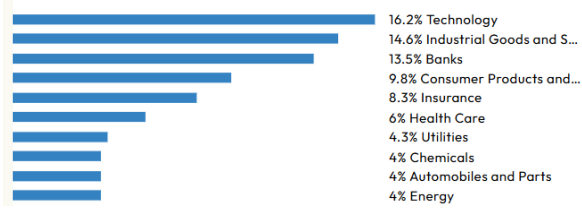
Source: <https://stoxx.com/index/sx5e/>

Infographic : https://stoxx.com/wp-content/uploads/2024/05/STOXX_European_Equities_Infographic_202404.pdf
Index Fact Sheet: <https://stoxx.com/index/sx5e/?factsheet=true> (April 2025)

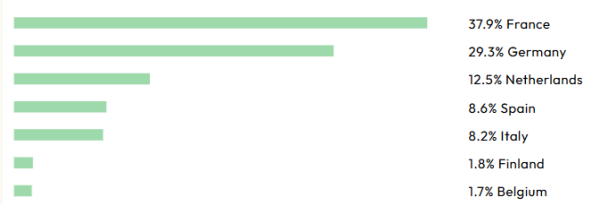
Warning: The Index is a Price Return Index. Dividends or income distributed by the Index constituents will not be re-invested in this Index nor distributed to investors.

Index Sector and Country Weightings

Supersector weighting (top 10)



Country weighting



Source: <https://stoxx.com/index/sx5e/?factsheet=true> (April 2025)

Index Top 10 Holdings

Company	Supersector	Country	Weight
SAP	Technology	Germany	7.252%
ASML HLDG	Technology	Netherlands	6.386%
SIEMENS	Industrial Goods and Services	Germany	4.228%
ALLIANZ	Insurance	Germany	3.914%
LVMH MOET HENNESSY	Consumer Products and Services	France	3.463%
SCHNEIDER ELECTRIC	Industrial Goods and Services	France	3.272%
TOTALENERGIES	Energy	France	3.233%
DEUTSCHE TELEKOM	Telecommunications	Germany	3.166%
SANOFI	Health Care	France	3.135%
AIR LIQUIDE	Chemicals	France	2.907%

Source: <https://stoxx.com/index/sx5e/?factsheet=true> (April 2025)

Index Past Performance

The Index has had an annualised returns of 12.1% over the last 5 years. This table outlines the Index's annualised returns over the last 1, 3 and 5 years:

Annualized return (%)		
1Y	3Y	5Y
4.9	10.9	12.1

Source: <https://stoxx.com/index/sx5e/?factsheet=true> (April 2025)

Index Past Performance Chart

This chart illustrates the performance of the Index over the past 5 years:



Source: <https://stoxx.com/index/sx5e/?factsheet=true> (26 May 2020 to 23 May 2025)

Warning: Past Performance is not a reliable guide to future performance.

3. Investment Return Scenarios

The Bond return is calculated on the Final Valuation Date at the end of the term.

Investors will receive a return of 20% if the Index is at or above its initial level at the Final Valuation Date.

If the Index return is greater than 20% on the Final Valuation Date, Investors will receive a maximum return of 20%.

The table below describes how the returns are calculated in example negative, neutral and positive investment return conditions for investors if €100,000 is invested:

Description	Example 1 Index Negative Return - 30%	Example 2 Index Negative Return -20%	Example 3 Index Negative Return -5%	Example 4 Index Neutral/ No Return	Example 5 Index Positive Return 5%	Example 6 Index Positive Return 20%	Example 7 Index Positive Return 30%	Example 8 Index Positive Return 50%
Initial Amount Invested (€)	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Return from Underlying Index (%)	-30%	-20%	-5%	0%	5%	20%	30%	50%
Projected Investment Return (%)	N/A	N/A	N/A	+20%	+20%	+20%	+20%	+20%
Projected Gross Investment Return (€)	0	0	0	20,000	20,000	20,000	20,000	20,000
Projected Amount returned to Investors Before Tax (€)	100,000	100,000	100,000	120,000	120,000	120,000	120,000	120,000

Warning: These figures are estimates only. They are not a reliable guide to the future performance of your investment.

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4. Warnings

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Warning: Deductions for costs and charges are not made uniformly throughout the life of the product, but are loaded disproportionately onto the early period. If an investor sells the Bond prior to the end of the 5 year term, the practice of front-end loading will impact on the amount of money that the investor receives. The investor may not get back the full amount they invested or the Capital Protected amount if sold prior to maturity.

Warning: This document is intended for Financial Broker firms only and is not suitable for potential Investors. This document should be read in conjunction with the product Brochure where a full list of warnings is provided.