

Broker Training Guide

Warning: This document is a Training Guide for Financial Broker firms and should not be provided to any potential investors.

1. Summary of Key Features

- The 100% Capital Secure Double Jump Coupon Bond (the Bond) is a new Investment Solution designed for investors who wish to invest in a Structured Retail Product that offers **100% Capital Protection** and **attractive potential investment returns** linked to the performance of a **Multi Asset Index**. The Bond is suitable as part of the process of constructing a genuinely diversified investment portfolio.
- Investors in the Bond will benefit from **100% Capital Protection at maturity**. The Capital Protection is provided by BNP Paribas (A+/A1/A+).
- The **Underlying Investment** of the Bond is the **BNP Paribas Multi Asset Diversified 5 Index** (BNPIMAD5 Index).
- Double Coupon Potential:
 - Investors will receive a **10% Return if the Index is at or above its initial level** at the Final Valuation Date.
 - Investors will receive a **30% Return if the Index is at or above 110% of its initial level** (has increased by 10% or more) at the Final Valuation Date.
- Broker Solutions considers the Bond to have a **Summary Risk Indicator of 2** on its risk scale.



- The Bond has a **5 year term**.
- The Bond will be **listed on the Luxembourg Stock Exchange**.
- **Daily liquidity** will be provided to investors that wish to sell the Bond prior to maturity under normal market conditions and at the discretion of BNP Paribas Financial Markets SNC.
- The **Minimum Investment** in the Bond is **€25,000**.
- **Maximum Return**: 30%.
- The **Closing Date** for applications is **29 August 2025** (or earlier if fully subscribed).
- **Taxation**: Our understanding is that the potential returns will be subject to **Income Tax** in the case of **Personal Investors** and **Exempt from taxation** in the case of **Pension and Post Retirement Investors**.

Warning: All of the terms outlined in this document are indicative and subject to change. The final terms will not be known until 10 September 2025. Your Financial Broker will confirm the final terms in the Confirmation Certificate issued shortly after the Issue Date on 17 September 2025. If the terms of the Bond have changed significantly on 10 September 2025, your Financial Broker will contact you again requesting a new instruction to proceed with the investment.

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.

2. Description of the Bond

The 100% Capital Secure Double Jump Coupon Bond (the Bond) is an innovative new Investment Solution designed for investors who wish to invest in a Structured Retail Product that offers attractive potential investment returns linked to the performance of an Index. The Bond is 100% Capital Protected at Maturity. The Bond is suitable as part of the process of constructing a genuinely diversified investment portfolio.

The Bond is in the form of a Certificate issued under BNP Paribas' Base Prospectus Programme. The Issuer's Base Prospectus dated 25 May 2025, as supplemented and amended by the Final Terms, provides the complete terms and conditions of the Certificates. A copy of the Base Prospectus is available from your Financial Broker on request.

The Bond in the form of Certificates involving derivatives and is therefore a complex product. Investors should not invest in this Bond without having sufficient knowledge, experience and/or without having received professional advice from their Financial Broker to make a meaningful evaluation of the merits and risks of investing in a product of this type, and the information contained in this document and the Base Prospectus.

2.1 Investment Rationale

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

1. *Capital Protection:*

100% Capital Protection at Maturity.

2. *Potential Jump Coupons of:*

10% Return if the Index is above its initial level at the Final Valuation Date or
30% Return if the Index is above 110% of its initial at the Final Valuation Date

3. *Investing in a Multi Asset Index.*

4. *Investing in the BNP Paribas Multi Asset Diversified 5 Index*

BNP Paribas Multi Asset Diversified 5 Index

The BNP Paribas Multi Asset Diversified 5 Index is a rules-based index sponsored by BNP Paribas comprised of eight components – three equity futures indices, three bond futures indices and two commodity indices (the "Hypothetical Portfolio"). The Index seeks to measure the value of a hypothetical exposure to a range of asset classes and geographic regions based on momentum investing principles.

On a daily basis, the Index determines weights of its components, using a rules-based methodology which seeks to identify weights for the components that would have resulted in the hypothetical portfolio with the highest return subject to a certain level of volatility. On any given day, this methodology will allocate a greater percentage of the Index towards components of the Hypothetical Portfolio that would have resulted in the Hypothetical Portfolio with the highest past returns subject to a certain level of volatility and weighting constraints.

The Index also includes an additional risk control mechanism which seeks to maintain its short-term volatility at the volatility target of 5% on a daily basis. This mechanism adds a further layer of volatility control to the value of the hypothetical portfolio with the goal of reducing volatility during unstable and unpredictable market periods.

The Index is calculated net of rebalancing and replication fees and incorporates a daily Maintenance Fee of 0.50% per annum.

Broker Solutions has been creating Investment Solutions linked to the Index since 2017.

Index Fact Sheet: <https://madindex.bnpparibas.com/Home/DownloadFile?filename=Factsheet>

Index Brochure: <https://madindex.bnpparibas.com/Home/DownloadFile?filename=Brochure>

Index Video: <https://madindex.bnpparibas.com/#video>

Index Infographic: <https://madindex.bnpparibas.com/#infographic-tabs>

Warning: The Index is an Excess Return Index. The Index does not derive returns based on interest earned on cash or other collateral deposited in connection with the purchase of futures contracts. Dividends or income distributed by the Index constituents will not be re-invested in the Index nor distributed to investors.

Index Components

BNP Paribas MAD 5 Index Components		
Equity Futures Indices	BNP Paribas US Equity Futures Index	BNPIFUS Index
	BNP Paribas Eurozone Equity Futures Index	BNPIFEU Index
	BNP Paribas Japan Equity Futures Index	BNPIFJP Index
Bond Futures Indices	BNP Paribas USD 10Y Futures Index	BNPIFU10 Index
	BNP Paribas EUR 10Y Futures Index	BNPIFE10 Index
	BNP Paribas JPY 10Y Futures Index	BNPIFJ10 Index
Commodity Indices	Bloomberg Commodity ex-Agriculture and Livestock Capped Index	BBUXALC Index
	S&P GSCI Gold Index Excess Return	SPGSGCP Index

Definitions

A **Rules-Based Index** is an index where the weightings of the components are determined following a preset algorithmic set of rules and proprietary formulas.

A **Futures** contract is an agreement, to make and receive a cash payment based on changes in the price of a particular commodity or financial instrument at a pre-determined date in the future. The indices compiling the BNPP MAD 5 Index are **Index Futures**, which track the performance of certain futures contracts.

The **Hypothetical Portfolio** of the BNPP MAD 5 Index represents

the basket of the index's eight (8) components, whose individual weighting is dynamically adjusted on a daily basis according to the BNPP MAD 5 Index methodology. There is no actual portfolio of assets to which any person makes any investment or has any ownership interest.

Volatility is the amount of price variation in an asset or security. High volatility means the price moves up and down in wide ranges over a period of time. Low volatility means that the price does not change as dramatically, but rather changes at a more gradual pace.

Liquidity describes the degree to which an asset or security can be quickly bought or sold in the market without affecting the asset's price.

The **Realized Volatility** of a financial instrument describes its historical volatility over a given time period.

A **Momentum-Based Investment Strategy** seeks to capitalize on positive market price trends based on the supposition that positive market price trends may continue.

How the Index is Calculated

1. Diversification

The Index attempts to measure the hypothetical exposure to a range of asset classes and geographic regions by drawing on the performance of eight index components, which have been selected based on the following principles:

Diversity in geographic zones covered

The components that form the BNPP MAD 5 Index are representative of three different geographic zones (U.S., Europe and Japan).

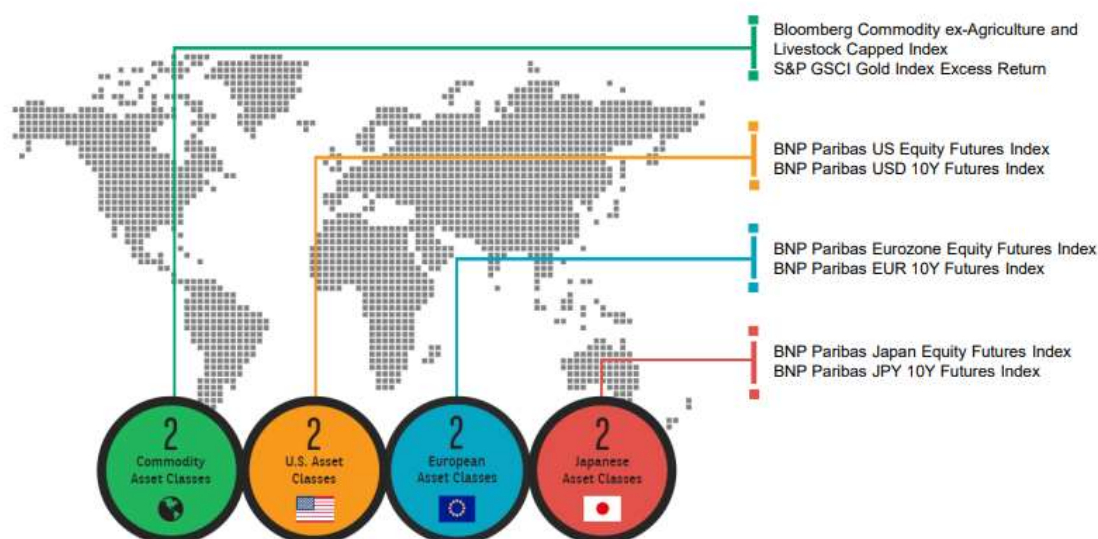
Use of market benchmarks

The components that form the BNPP MAD 5 Index are futures-based indices tracking the performance of futures contracts referencing market benchmarks where such futures contracts are typically highly **liquid** and representative of market movement.

Components representing multiple asset classes

The components represent a range of generally non-correlated assets including equities, commodities and government bond futures which are sub-components of the components that comprise the Index.

A Diversified Index based on 8 Index Components



2. Dynamic Allocation

On a daily basis, the Index dynamically rebalances the weightings of its components according to a proprietary rules-based methodology which seeks to identify weights for the components that would have resulted in the Hypothetical Portfolio with the highest past returns subject to a certain level of volatility and weighting constraints. This can be explained in three steps:

Step 1

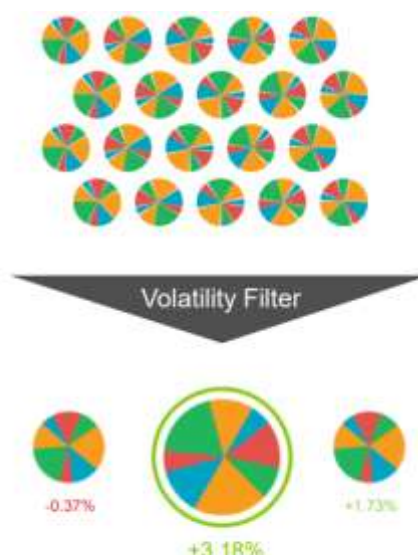
The BNPP MAD 5 Index begins by creating a universe of potential Hypothetical Portfolios where the components are differently weighted across the board and under weight constraints².

Step 2

The BNPP MAD 5 Index then tests the different portfolio combinations in the universe, considering only those that have demonstrated long term realized volatility below a certain level.

Step 3

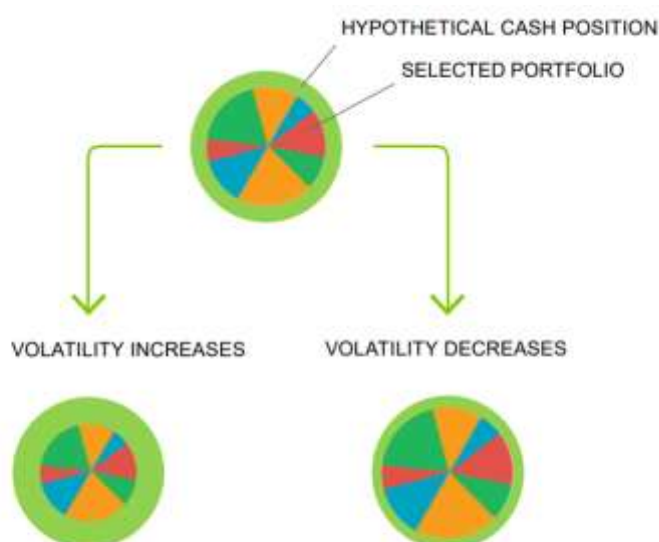
Out of the remaining portfolios after step 2, the final Hypothetical Portfolio is chosen based on the BNPP MAD 5 Index rules and a proprietary methodology which takes into account momentum - investing principles that allocate more to recent outperformers and less to recent underperformers.



For illustrative Purposes Only

3. Volatility Control

On a daily basis, the Hypothetical Portfolio of the Index targets an annualised realised volatility of 5% utilising a set of rules that seeks to manage the hypothetical portfolio's short term volatility on a daily basis in changing market conditions. This mechanism complements the control over long-term volatility which is part of the Index's dynamic allocation methodology. (See Step 2 under "Dynamic Allocation"). The Realised Volatility of the daily hypothetical portfolio is the highest trailing 21 day historic volatility calculated over a sliding 20 day period. If the realised volatility exceeds the 5% target volatility rate on any day, the Index will reduce the weight of the hypothetical selected portfolio and rebalance it with a non-remunerable hypothetical cash position. Based on the realised volatility, the Index may be partially or wholly uninvested, and will not earn interest or any other return with respect to that cash position.



For illustrative Purposes Only

Source: <https://madindex.bnpparibas.com/>

Past Performance

The table below describes the Annualised performance of the Index each year since its launch in 2016. The Index has achieved an annualised performance of 4.61% since its launch in 2016 and 2% annualised performance in the last 5 years:

	Since Start Date	1Y	2Y	5Y
Annualized Performance	4.61%	-2.56%	-0.05%	2.00%
Annualised Volatility	4.89%	5.60%	5.20%	4.95%
Sharpe Ratio	0.94	-	-	0.40

Source (BNP Paribas from launch in 2016 to 30 June 2025)

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

3. Product Back Testing

We back tested 1,304 5 year periods solely between 14 July 2015 and 10 July 2025. A summary of the back testing results are as follows:

Worst Return	+10%
Best Return	+30%
Average Return	+28.25%
Number of times investors received back Negative returns	0 (0% of all 5 year periods tested)
Number of times investors received back 0% return	0 (0% of all 5 year periods tested)
Number of times investors received Positive returns	1,304 (100%) of all 5 year periods tested

Source: Bloomberg, BNP Paribas (July 2025)

Important Considerations

This back test data set includes numerous overlapping 5 year periods between 14 July 2015 and 10 July 2025.

The back testing of this product over all 1,304 5 year periods during the testing period illustrates no negative periods or negative outcomes where investors lost some or all of their capital. Investors should not consider this product back test illustration or previous product performance results as an indication of the potential for, or likelihood of positive outcomes or investment gains in the future. Past Performance and Product Back Test are not reliable guides to future performance which depends solely on future events.

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Limited Usefulness of Past Performance and Back Testing

Past Performance and Back Testing are useful for information purposes only. The analysis of the past performance of any investment asset(s) or the back testing of any investment product is purely academic and has no bearing on, or provides limited benefit in the assessment of the future performance potential of the investment asset(s) or the investment product in question. The future performance of any investment asset(s) or investment product depends solely on future events and circumstances that cannot be known in advance and that are not necessarily informed by or influenced by what has happened in the past, more recently or otherwise.

Warning: Past Performance and Simulated Past Performance are not a reliable guide to future performance.

Warning: Product Back Testing is not a reliable guide to future performance.

4. Warnings

Warning: The value of your investment may go down as well as up.

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.

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