

3 Year Enhanced Eurozone Equity Bond 3

Investment Rationale

1. Key Investment Risk & Return Considerations

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

Feature	Description
Investment Theme	Eurozone Equities Benchmark Index: EuroStoxx 50 Index
Rationale for Theme	EuroStoxx 50 Index is the most recognised Benchmark Index of Eurozone shares. Indices provide a broad, passive exposure to the largest companies in a particular region (the Eurozone in this case).
Potential Return	Investors will receive 125% Participation in any positive performance of the Index on the Final Valuation Date or Investors will receive 100% Participation in any negative performance of the Index on the Final Valuation Date
Investment Risk Level	Medium
SRI	4
Capital Protection	None. This Bond is Full Capital at Risk If the Index has fallen at the Final Valuation Date, investors will lose 1% for every 1% decline in the value of the Index on the Final Valuation Date.
Investment Term	3 Years (Medium)
Unique Features	Participation Rate in positive performance (125%) is higher than the Participation Rate in negative performance (100%). Capital Gains Taxable (CGT) investment strategy.
Product Compromises	No Capital Protection: Investors can lose some or all of the amount invested. Opportunity Cost: Capital Returns or Investment Income could be higher if invested in a concentrated portfolio of shares or risky assets rather than a stock market Index.
Liquidity	Yes
Taxation	Capital Gains Tax (CGT) in the case of Personal and Company Investors Exempt for Pension & Post Retirement Schemes

2. Investment Rationale in more detail

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

- The Potential Investment Return from the Bond is skewed to the upside: Investors will receive the following Participation Rates at Maturity:
 - **166% Participation in any gain in the Index:** If the value of the Index has risen by 20%, investors will receive a 25% gain from the Bond i.e. investors will gain 1.25% for every 1% increase in the value of the Index.
 - **100% Participation in any loss in the Index:** if the value of the Index has fallen by 30%, investors will lose 30% of their investment in the Bond i.e. investors will lose 1% for every 1% decline in the value of Index.
- Investing in European Equities and the Eurozone in particular
- Investing in equities as a Long Term Investment and investing in 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/>

Index Fact Sheet: <https://stoxx.com/index/sx5e/?factsheet=true> (July 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



Source: Index Fact Sheet: <https://stoxx.com/index/sx5e/?factsheet=true> (July 2025)

Index Top 10 Holdings

Company	Supersector	Country	Weight
ASML HLDG	Technology	Netherlands	7.108%
SAP	Technology	Germany	7.037%
SIEMENS	Industrial Goods and Services	Germany	4.359%
ALLIANZ	Insurance	Germany	3.539%
SCHNEIDER ELECTRIC	Industrial Goods and Services	France	3.462%
TOTALENERGIES	Energy	France	3.150%
LVMH MOET HENNESSY	Consumer Products and Services	France	3.079%
DEUTSCHE TELEKOM	Telecommunications	Germany	2.969%
BCO SANTANDER	Banks	Spain	2.836%
AIRBUS	Industrial Goods and Services	France	2.778%

Source: Index Fact Sheet: <https://stoxx.com/index/sx5e/?factsheet=true> (July 2025)

Index Past Performance

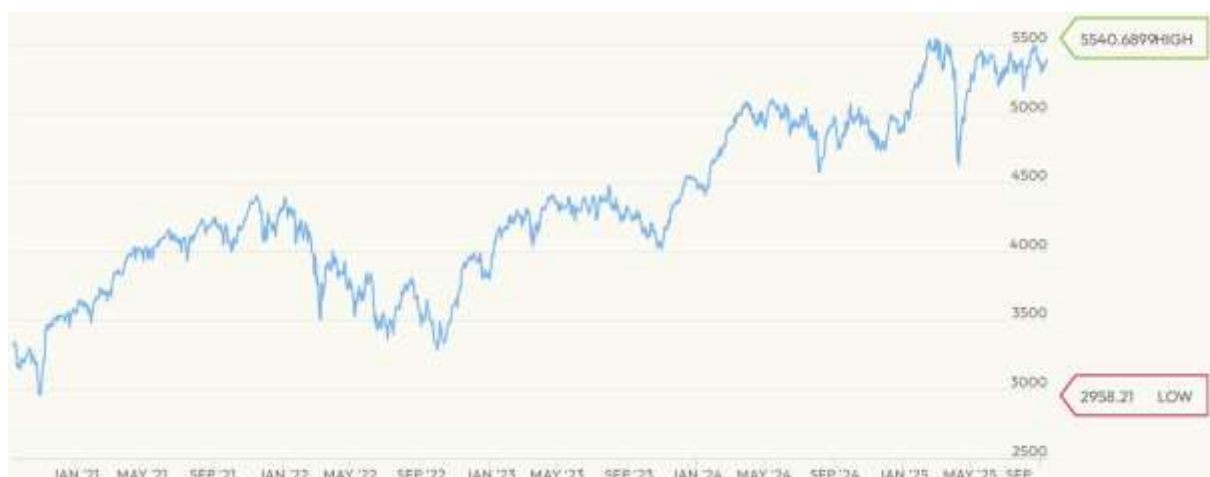
The Index has had an annualised returns of 15.6% over the last 3 years. This table outlines the Index's annualised returns over the last 1, 3 and 5 years:

Annualized return (%)		
1Y	3Y	5Y
8.5	15.6	10.5

Source: Index Fact Sheet: <https://stoxx.com/index/sx5e/?factsheet=true> (July 2025)

Index Past Performance Chart

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



Source: Index Fact Sheet: <https://stoxx.com/index/sx5e/?factsheet=true> (14 September 2020 to 12 September 2025)

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

3. Sample Return Illustration

Investors will receive 125% Participation in any positive performance of the Index on the Final Valuation Date or,

Investors will receive 100% Participation in any negative performance of the Index on the Final Valuation Date

The table below illustrates the projected Bond returns in 5 return environments and scenarios (negative, neutral and positive) assuming an initial investment amount of €100,000 in each case:

Return Environment	Index Return at the Final Valuation Date	Participation	Total Product Return (%)	Total Product Return (€)
Negative Return Scenario	-40%	100%	-40%	60,000.00
Negative Return Scenario	-20%	100%	-20%	80,000.00
Neutral Return Scenario	Unchanged	100%	No Return	100,000.00
Positive Return Scenario	+15%	125%	+18.75%	118,750.00
Positive Return Scenario	+25%	125%	+31.25%	131,250.00

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

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

Warning: If you invest in this Bond you may lose some or all of the money you invest.

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

4. Summary Risk Indicator

The Summary Risk Indicator (SRI) 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 BNP Paribas is not able to pay the Investor. The risk indicator assumes the product is held until maturity.

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



5. Warnings

Warning: If you invest in the Bond you may lose some or all of the money you invest.

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

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.