

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 Index
Rationale for Theme	Investing in Eurozone Equities By adopting a medium term approach, investors can mitigate the risks and short term volatility associated with equity or stock market investment while benefiting from the long term capital growth potential that equity markets can provide
Return Potential	Investors receive 100% Participation in any increase in the Index at the Final Valuation Date Negative: 0% Positive: 26.5% Maximum Return: 26.5%
Investment Risk Level	Low
SRI	2
Hard Capital Protection	100%
Investment Term	5 Years (Medium)
Unique Features	100% Participation in any increase in the Benchmark EuroStoxx 50 Index
Product Compromises	Opportunity Cost: Investment Returns could be higher if no Capital Protection feature applied Investment Returns could be higher if the Maximum Return of 26.5% did not apply 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. **100% Participation** in any increase in the Index at Maturity subject to a Maximum Return of 26.5%.
3. 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.

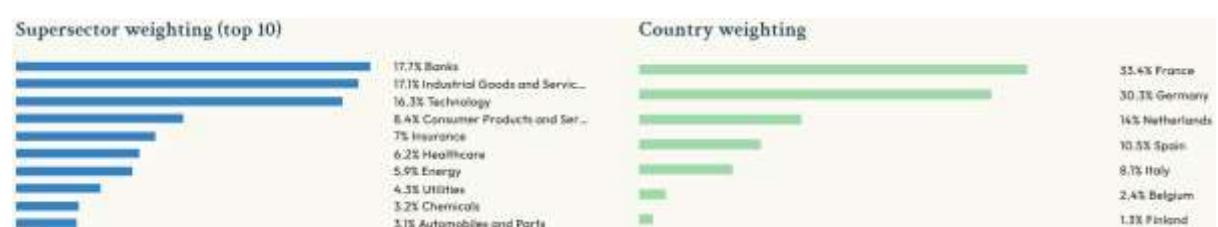
The blue-chip benchmark underlies more than 25 billion euros in ETF assets, while futures and options on the index are the most actively traded equity index derivatives on Eurex. More than 160,000 structured products are linked to the EuroStoxx 50 Index.

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

Index Fact Sheet: <https://stoxx.com/index/sx5e/?factsheet=true> (31 December 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: <https://stoxx.com/index/sx5e/?factsheet=true> (31 December 2025)

Index Top 10 Holdings

Company	Supersector	Country	Weight
ASML HLDG	Technology	Netherlands	8.521%
SAP	Technology	Germany	5.057%
SIEMENS	Industrial Goods and Services	Germany	4.285%
LVMH MOET HENNESSY	Consumer Products and Services	France	3.849%
BCO SANTANDER	Banks	Spain	3.572%
ALLIANZ	Insurance	Germany	3.540%
SCHNEIDER ELECTRIC	Industrial Goods and Services	France	3.230%
TOTALENERGIES	Energy	France	2.923%
AIRBUS	Industrial Goods and Services	France	2.782%
BCO BILBAO VIZCAYA ARGENTARIA	Banks	Spain	2.755%

Source: <https://stoxx.com/index/sx5e/?factsheet=true> (31 December 2025)

Index Past Performance

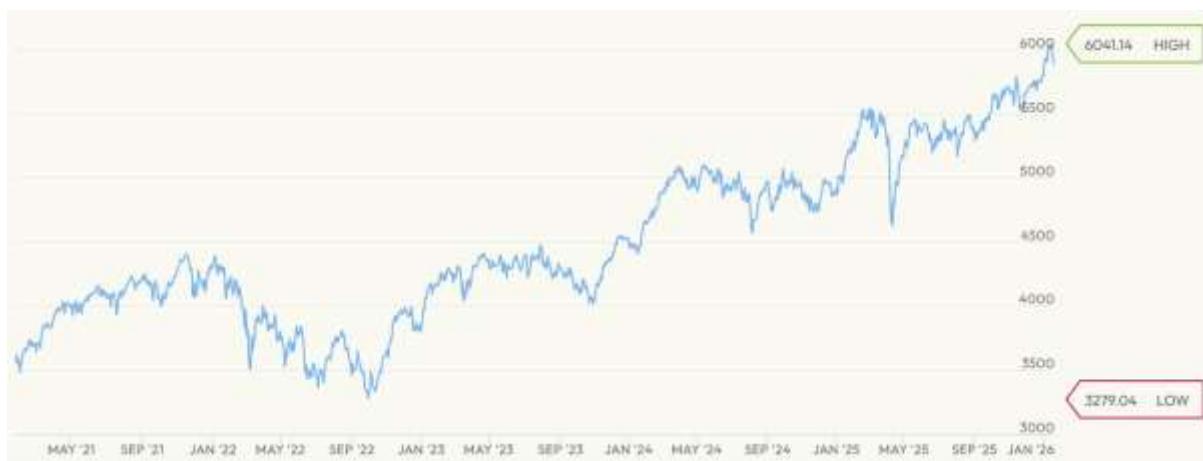
The Index has had an annualised return of 10.4% over the last 5 years. This table outlines the Index's annualised returns over the last 1, 3 and 5 years:

1Y	3Y	5Y
18.6	15.4	10.4

Source: Index Fact Sheet: <https://stoxx.com/index/sx5e/?factsheet=true> (31 December 2025)

Index Past Performance Chart

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



Source: <https://stoxx.com/index/sx5e/> (21 January 2021 to 21 January 2026)

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

3. Investment Return Scenarios

Investors will receive 100% Participation in any increase in the Index at the Final Valuation Date subject to a cap on the return of 26.5%.

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 -20%	Example 2 Index Negative Return -5%	Example 3 Index Neutral/ No Return	Example 4 Index Positive Return 10%	Example 5 Index Positive Return 20%	Example 6 Index Positive Return 50%
Initial Amount Invested (€)	100,000	100,000	100,000	100,000	100,000	100,000
Return from Underlying Index (%)	-20%	-5%	0%	10%	20%	50%
Participation	100%	100%	100%	100%	100%	100%
Projected Investment Return (%)	N/A	N/A	N/A	+10%	+20%	+26.5%
Projected Gross Investment Return (€)	0	0	0	10,000	20,000	26,500
Projected Amount returned to Investors Before Tax (€)	100,000	100,000	100,000	110,000	120,000	126,500

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

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

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.