

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 European Property Bond 2 (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 a Eurozone Real Estate Index. The Bond is suitable as part of the process of constructing a genuinely diversified investment portfolio.
- The **Underlying Investment** of the Bond is the **EuroStoxx Real Estate Index** (the Index). Investors in the Bond have their **Capital at Risk**. This means that you may lose some or all of the capital invested in this Bond. Broker Solutions considers **Option A** of the Bond to have a **Summary Risk Indicator of 5** and **Option B** to have a **Summary Risk Indicator of 4** on its risk scale as follows:



- The Bond has **Full Capital at Risk**. There is **no Capital Protection feature**. For example, if the value of the Index has fallen by 30% at the Final Valuation Date, investors will lose 1% for every 1% decline in the value of Index (i.e. investors will lose 30% of their investment) in both Options A and B.
- **Potential Return**
 - **Option A:** Investors will receive **160% Participation** in any **positive performance** of the Index and **100% Participation** in any **negative performance** of the Index on the Final Valuation Date.
 - **Option B:** Investors will receive a Fixed Annual Return of 4.8% paid out at the end of each year regardless to the investment performance of the Index.
- The **Term** of Option A is **3 years** and Option B is **5 years**.
- Option B has a **Minimum Return of 24%** whereas Option A has **no Minimum Return**.
- The **Maximum Investment Return** of Option A is **unlimited** and is **24%** for Option B.
- 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 each Option of the Bond is **€25,000**.
- The **Closing Date for applications** is **27 February 2026** (or earlier if fully subscribed).
- **Taxation:** We understand that the return will be subject to **Capital Gains Tax (CGT)** in the case Option A and **Income Tax** in the case of Option B for **Personal and Company** Investors. We understand that any returns are **exempt** from taxation in the case of **Pension and Post Retirement** Investors.

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

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 3 or 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.

2. Description of the Bond

The European Property 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 a Eurozone Real Estate Index. The Bond is suitable as part of the process of constructing a genuinely diversified investment portfolio.

The Bond is in the form of a Preference Share linked Certificate (Option A) or a Certificate (Option B) issued by BNP Paribas Issuance BV, under the issuer's Certificate Programme as supplemented and/or amended by the Pricing Supplement. The Issuer's Base Prospectus Series dated 27 May 2025 and any supplements thereto, as completed by Final Terms (the Base Prospectus) provides the complete terms and conditions of the Certificates. A copy of the Base Prospectus is available from your Financial Broker on request.

This Bond is 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 and in this Index can be summarised as follows:-

- Investing in Real Estate as a Long Term Investment
- Investing in a Real Estate Index
- Investing in the EuroStoxx Real Estate Index (SX86E Index)
- The Potential Investment Return:
 - **Option A:** Investors will receive **165% Participation** in any **positive performance** of the Index and **100% Participation** in any **negative performance** of the Index
 - **Option B:** Investors will receive a **Fixed Annual Return of 5% paid out at the end of each year regardless to the investment performance** of the Index

Why invest in Real Estate?

The benefits of investing in real estate are numerous. With property assets, investors can enjoy predictable cash flow, excellent returns, tax advantages, and diversification.

- Real estate investors can make gains through rental income, appreciation, and profits generated by business activities that depend on the property
- The benefits of investing in real estate include passive income, stable cash flow, tax advantages, diversification, and sometimes leverage
- Real estate investment trusts (REITs) or listed property companies offer a way to invest in real estate without having to own, operate, or finance properties

Real estate returns vary, depending on factors such as location, asset class, and management but many investors expect returns comparable with the equity market.

Inflation Hedge

The inflation-hedging capability of real estate stems from the positive relationship between GDP growth and the demand for real estate. As economies expand, the demand for real estate drives rents higher. This, in turn, translates into higher capital values. Therefore, real estate tends to maintain the buying power of capital by passing some of the inflationary pressure on to tenants and by incorporating some of the inflationary pressure in the form of capital appreciation.

Real Estate Drawback

In addition to the benefits of investing in real estate, there are drawbacks. One of the main ones is the lack of liquidity (or the relative difficulty in converting an asset into cash and cash into an asset). Unlike equities or bonds, which can be transacted in seconds, a real estate transaction can take months or longer to close.

Source: <https://www.investopedia.com/articles/mortgages-real-estate/11/key-reasons-invest-real-estate.asp>

Investing in a Real Estate Index

Although investing in Real Estate or Property involves a degree of illiquidity and investment risk and there will be volatile periods along the way, in the long term, Property tends to perform favourably relative to other assets like bonds and cash etc. By adopting a medium term approach, Property investors can mitigate the risks and short term volatility associated with Property investment while benefiting from the long term capital growth potential or investment income that Property investments can provide.

Property also increases the diversification of well structured portfolios invested in other asset classes such as cash, equities, bonds etc.

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 Real Estate Index is an Index of Eurozone Property company shares.

The EuroStoxx Real Estate Index

The Stoxx Supersector indices track supersectors of the relevant benchmark index. There are 20 supersectors according to the Industry Classification Benchmark (ICB). Companies are categorised according to their primary source of revenue. The following supersectors are available: Technology, Telecommunications, Health Care, Banks, Financial Services, Insurance, **Real Estate**, Automobiles and Parts, Consumer Products and Services, Media, Retail, Travel and Leisure, Food, Beverage and Tobacco, Personal Care, Drug and Grocery Stores, Construction and Materials, Industrial Goods and Services, Basic Resources, Chemicals, Energy, Utilities.

Index Statistics

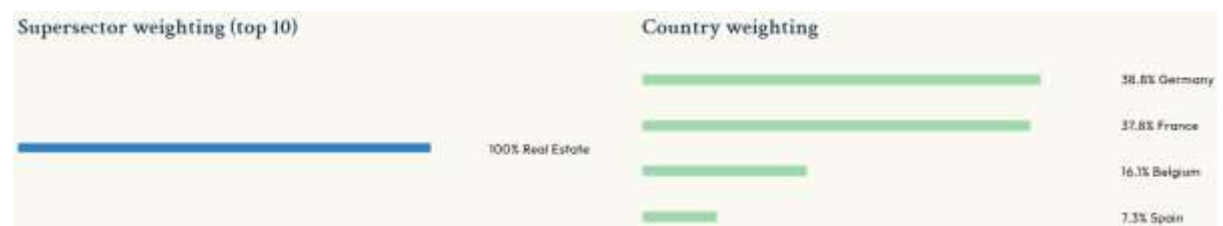
Index	Market Cap (EUR bn)				Components (EUR bn)		Component weight (%)		Turnover (%)
	Full	Free-float	Mean	Median	Largest	Smallest	Largest	Smallest	Last 12 months
EURO STOXX Real Estate	82.0	64.6	5.9	4.2	17.6	2.5	27.6	3.9	1.4

Source: <https://stox.com/index/sx86e/>

Index Fact Sheet: <https://stox.com/index/sx86e/?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://stox.com/index/sx86e/?factsheet=true> (31 December 2025)

Index Top 10 Holdings

Company	Supersector	Country	Weight
Vonovia SE	Real Estate	Germany	27.597%
UNIBAIL-RODAMCO-WESTFIELD	Real Estate	France	15.429%
KLEPIERRE	Real Estate	France	11.640%
MERLIN PROPERTIES SOCIMI	Real Estate	Spain	7.283%
LEG IMMOBILIEN	Real Estate	Germany	7.280%
WDP	Real Estate	Belgium	6.505%
GECINA	Real Estate	France	5.963%
AEDIFICA	Real Estate	Belgium	4.967%
COVIVIO	Real Estate	France	4.797%
COFINIMMO	Real Estate	Belgium	4.669%

Source: <https://stox.com/index/sx86e/?factsheet=true> (31 December 2025)

Index Past Performance

The Index has had an annualised return of 4.1% over the last 3 years and -7.7% over the last 5 years. This table outlines the Index's annualised returns over the last 1, 3 and 5 years:

1Y	3Y	5Y
2.1	4.1	-7.7

Source: <https://stox.com/index/sx86e/?factsheet=true> (31 December 2025)

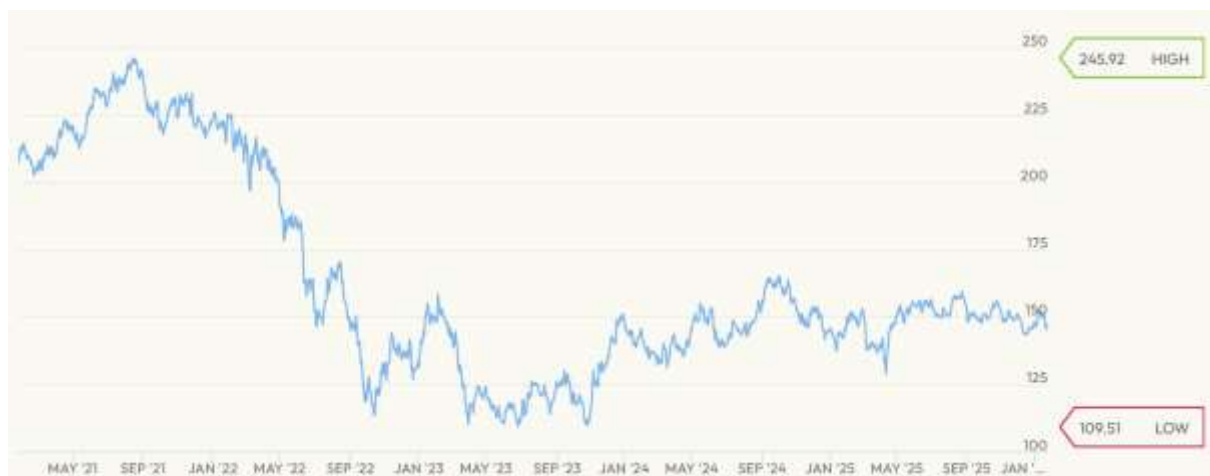
Index Past Performance Charts

This chart illustrates the performance of the Index over the past 3 years:



Source: <https://stoxx.com/index/sx86e/> (23 January 2023 to 23 January 2026)

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



Source: <https://stoxx.com/index/sx86e/> (25 January 2021 and 23 January 2026)

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

Product Back Testing

We back tested 1,305 3 year periods solely between 15 January 2018 (Option A) and 15 January 2016 (Option B) and 14 January 2026. A summary of the back testing results are as follows:

	Option A	Option B
Worst Return	-52.01%	-31.33%
Best Return	+55.57%	+24%
Average Return	-22.32%	-4.32%
Number of times investors received back Negative returns	937 (71.8%) of all 3 year periods tested	753 (57.7%) of all 5 year periods tested
Number of times investors received back 0% returns	0 (0%) of all 3 year periods tested	0 (0%) of all 5 year periods tested
Number of times investors received Positive returns	368 (28.2%) of all 3 year periods tested	522 (42.3%) of all 5 year periods tested)

Source: Bloomberg, BNP Paribas (January 2026)

Important Considerations

This back test data set includes numerous overlapping 3 year and 5 year periods between 15 January 2018 (Option A) and 15 January 2016 and 14 January 2026.

The back testing of this product over all 3 year and 5 year periods during the testing period illustrates some 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.

Warning: Investors should not consider this product back test illustration or previous product results as an indication of the potential for, or likelihood of, positive outcomes or investment gains in the future.

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.

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