

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 will receive a Fixed Annual Return of 4.3% paid out at the end of each year if the Index is at or above its Initial Level Memory Feature whereby any missed Annual Fixed Returns can be caught up if the Index is above its initial level at the end of a subsequent year
Investment Risk Level	Low
SRI	2
Hard Capital Protection	100%
Investment Term	5 Years (Medium)
Unique Features	Potential Annual Return of 4.3% (21.5% in total) if the EuroStoxx 50 Index is at or above its initial level.
Product Compromises	Opportunity Cost: Investment Returns could be higher if no Capital Protection feature applied Investment Returns could be higher if the product was focused on Capital Growth rather than Investment Income. 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 Fixed Annual Returns:**
Investors will receive a Fixed Annual Return of 4.3% paid out at the end of each year if the Index is at or above its Initial Level. The Bond has a **Memory Feature** whereby any missed Annual Fixed Returns can be caught up if the Index is at or above its initial level at the end of a subsequent year.
- 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> (30 April 2026)

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> (30 April 2026)

Index Top 10 Holdings

Company	Supersector	Country	Weight
ASML HLDG	Technology	Netherlands	10.122%
SIEMENS	Industrial Goods and Services	Germany	4.517%
TOTALENERGIES	Energy	France	4.127%
SCHNEIDER ELECTRIC	Industrial Goods and Services	France	3.687%
BCO SANTANDER	Banks	Spain	3.627%
SAP	Technology	Germany	3.536%
ALLIANZ	Insurance	Germany	3.520%
SIEMENS ENERGY	Energy	Germany	3.321%
IBERDROLA	Utilities	Spain	2.944%
LVMH MOET HENNESSY	Consumer Products and Services	France	2.684%

Source: <https://stox.com/index/sx5e/?factsheet=true> (30 April 2026)

Index Past Performance

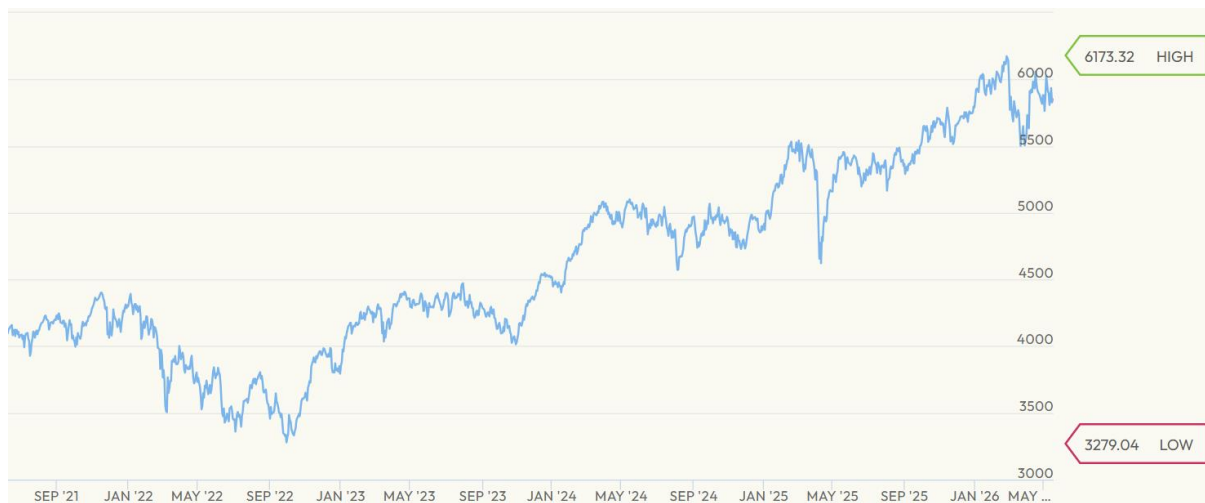
The Index has had an annualised return of 8.3% over the last 5 years. This table outlines the Index's annualised returns over the last 1, 3 and 5 years:

1Y	3Y	5Y
14.2	10.7	8.3

Source: <https://stox.com/index/sx5e/?factsheet=true> (30 April 2026)

Index Past Performance Chart

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



Source: <https://stox.com/index/sx5e/> (19 May 2021 to 19 May 2026)

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

3. Investment Return Scenarios

Investors will receive a Fixed Annual Return of 4.3% paid out at the end of each year if the Index is at or above its Initial Level.

The Bond has a Memory Feature whereby any missed Annual Fixed Returns can be caught up if the Index is at or above its initial level at the end of a subsequent year.

The table below describes the Annual Return payable throughout the 5-year term based on an initial investment of €100,000 in sample positive, neutral and negative investment return conditions for the Index (assuming the Index level is 1,000 at the start of the 5-year term):

Index Level	Index Level	Index Level	Index Level	Index Level	Index Level	Total Return
	End of Year 1 Return (%)	End of Year 2 Return (%)	End of Year 3 Return (%)	End of Year 4 Return (%)	End of Year 5 Return (%)	
Positive Returns Throughout	1,050 4.3%	1,070 4.3%	1,100 4.3%	1,060 4.3%	1,200 4.3%	21.5%
Positive then Negative	1,050 4.3%	1,070 4.3%	1,020 4.3%	970 0%	900 0%	12.9%
Neutral Returns Throughout	1,020 4.3%	1,040 4.3%	970 0%	1,010 8.6%	1,060 4.3%	221.5%
Negative then Positive	900 0%	810 0%	920 0%	1,040 17.2%	1,050 4.3%	21.5%
Negative Returns Throughout	970 0%	980 0%	900 0%	820 0%	940 0%	0%

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.