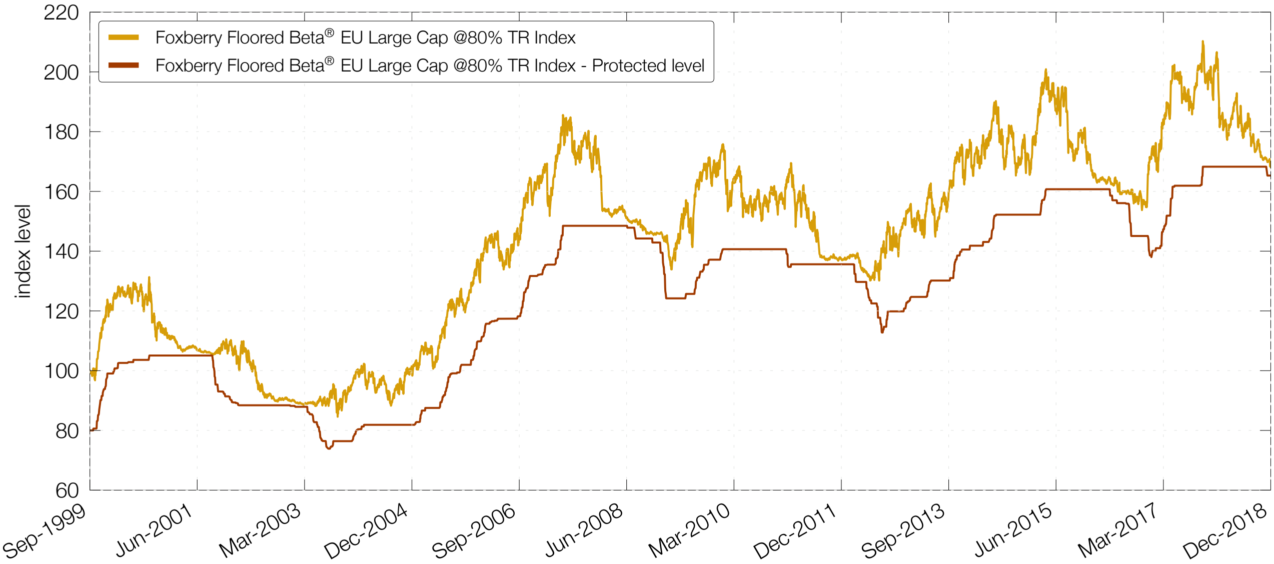
Foxberry Floored Beta® EU Large Cap @80% TR Index

Equities is an important asset class in many portfolios due to its potential to generate yield and long-term capital appreciation. Historically, however, equities have from time to time suffered significant drawdowns, wiping out years of positive performance.

Foxberry Floored Beta® EU Large Cap @80% TR Index (the “Index”) aims to provide exposure to large-cap European equities whilst at the same time having a downside protection that is always in place.

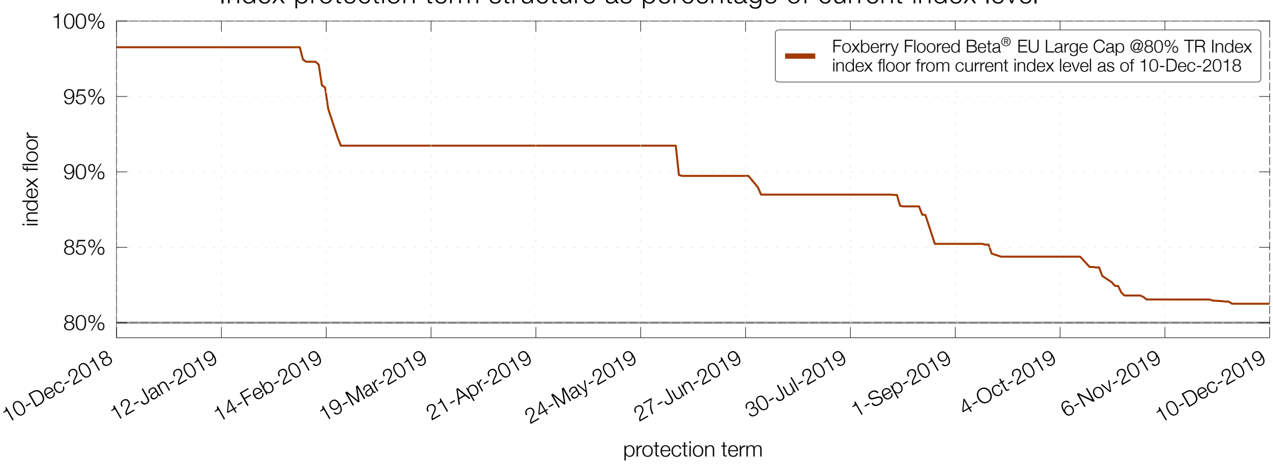
Through its innovative risk budgeting mechanism, the Index is prevented from losing more than 20% over any 1 year time horizon.

Index performance, protected index level and keymetrics over time[1]



<index>	r_{IRR}	σ_{Vol}	dd_{Max}	$dd_{Max\,1w}$	$dd_{Max\,1Y}$	$\frac{r_{IRR}}{\sigma_{Vol}}$	$\frac{r_{IRR}}{\lvert dd_{Max}\rvert}$	$\frac{r_{IRR}}{\lvert dd_{Max\,1Y}\rvert}$
● Foxberry Floored Beta® EU Large Cap @80% TR Index	2.74%	13.67%	-35.62%	-8.43%	-19.26%	0.20	0.08	0.14

Index protection term structure as percentage of current index level[2]



[1] Source: Foxberry; Daily data from Sep-1999 to Dec-2018. Past performance is no guide to future performance, please refer to risk factors & disclaimers. The performance data shown is derived from simulated back-tested data. Simulated past performance data does not represent actual performance and should not be interpreted as an indication of actual or future performance. Historical performance is not an indication of or a guide to future performance.
[2] Source: Foxberry

Through its innovative risk budgeting mechanism, the Index is prevented from losing more than 20% over any 1 year time horizon.

For shorter horizons than 1 year, it is possible that the maximum loss possible is even less than the 20%. This is illustrated in the Index protection term structure on the previous page.

Due to its risk management features, the Index may be of interest to:

- Investors who are risk averse and would like to define the 1 year worst case scenario;
- Investors wishing to take a lower risk equity exposure; *and/or*
- Investors subject to stress testing regimes.

The mechanism of the Index can be summarised as:

1. The Index achieves its equity exposure to large-cap European equities through the use of futures contracts which are rolled periodically.
2. A risk controlled portfolio, which is potentially rebalanced daily, of the futures contracts is created to target a certain level of risk.
3. The Index enters into options on the risk controlled portfolio of futures and uses an innovative risk budgeting mechanism to ensure that mathematically the 1 year maximum potential loss is no greater than 20%.

Risk factors

Index objectives: The Index has been constructed based on certain assumptions (including observations, empirical trends and correlations) which may not be realised in the future which may negatively affect the performance of the Index in the future.
Performance risk: As detailed in the Index Rules the Index references certain underlying futures and uses certain risk management techniques. The risk management techniques used by the Index may be a source of negative performance when compared with the performance of the underlying futures which is not subject to such risk management techniques. In particular, the Index may have a reduced exposure to the underlying futures following a decline or heightened volatility of the futures. If this is followed by positive performance in the futures, the Index may underperform the underlying futures. Conversely, if the volatility of futures is low, the Index may take additional exposure to the futures. If this is followed by negative market performance of the futures, the Index may underperform the futures. In addition, the simulated number of call options purchased by the Index will depend on the constraints of the maximum loss protection mechanism built into the Index, leading to a varying exposure to the underlying futures. Accordingly, the performance of the Index can be substantially different to the performance of the underlying futures and the underlying market that the futures reference.
Embedded optionality and negative time decay: The Index simulates the purchase of call options. Call options have a convexity, meaning that the performance of the Index should not be expected to be linear with the Underlying Market or the futures referencing the Underlying Market. In addition, options have a negative time decay, meaning that all else equal, they are expected to lose value over time.
Always refer to the Index Rules and the risk factors therein before making any investments into any product linked to the Index.

Disclaimer