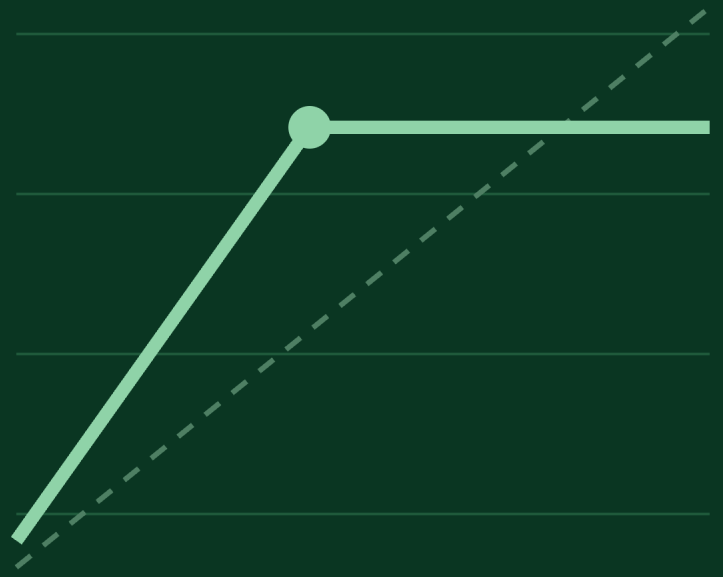
Valura.ai

INVESTOR EDUCATION

Structured Notes, Explained

A visual guide to how they work, what you can earn and what can happen to your money, using two real term sheets.



Valura.ai | October 2026

THE BASICS

What is a structured note?

You invest

For example USD 100,000, in notes of USD 1,000 each

A global bank issues it

Banks such as UBS, Citi or BNP Paribas

Linked to markets

One or more stocks, ETFs or indices

Pre-set payout

A formula agreed on day one decides what you get back

Fixed term

Typically 6 months to 5 years

Rules set upfront

Every outcome is written in the term sheet before you invest

Built for a view

Pick the shape that matches what you expect markets to do

THE BASICS

Who issues the notes

Notes are issued by large, regulated banks and brokers. The issuer pays your coupons and capital, so its credit strength matters.

ISSUER PANEL ON VALURA

Societe Generale	UBS	Citi	BNP Paribas
Julius Bär	Luzerner Kantonalbank	Marex	Plus 10 more below

FOR LARGER TICKETS, TYPICALLY FROM USD 200,000

J.P. Morgan · Goldman Sachs · Bank of America · HSBC · Santander · BBVA · Natixis · Nomura · CIBC · Swissquote

Minimum ticket and settlement terms vary by issuer

THE BUILDING BLOCKS

Every note is a bond plus an option

Upside with a Safety Net (PPN)

Zero-coupon bond — Costs about 91 today, grows to 95 by maturity

+

Bought call option — The other 9 buys a share of any rise

=

95% back, plus growth — A protected floor with a share of the upside

Get Paid to Wait (FCN / BRC)

Bond — Your 100 earns interest until maturity

+

Sold put option — The bank pays you a premium for taking stock risk

=

High fixed coupon — Shares of the worst stock if the barrier breaks

Illustrative figures per USD 100 invested

PRODUCT 1

Get Paid to Wait

Technical name: Fixed Coupon Note (FCN), also called a Barrier Reverse Convertible (BRC)

- Earn a fixed coupon every month, quarter or year
- Capital back in full if no stock breaks the barrier
- Otherwise, own the stock at a lower, pre-agreed price

GET PAID TO WAIT

How it works, start to finish

DAY 1

You invest USD 100,000

Linked to the worst of a basket of stocks

EVERY PERIOD

Fixed coupon paid

Paid whatever the stocks do, until the note ends

Early exit

All stocks at or above start on a check date: 100% back plus the coupon, and the note ends

Maturity, above the barrier

Worst stock at or above the barrier: 100% back in cash

Maturity, below the barrier

Worst stock below the barrier: you receive its shares at the strike price

Coupons already paid are yours to keep in every outcome

GET PAID TO WAIT

Let’s understand it with a real example

A 1-year note from Goldman Sachs, linked to three memory-chip stocks: SK Hynix, Samsung Electronics and Western Digital.

1 The note	**2** Where the coupon comes from	**3** How much you receive	**4** The calendar	**5** Outcomes when stocks rise or fall	**6** Receiving the stock

EXAMPLE, STEP 1: THE NOTE

A 1-year note on 3 chip stocks

Review the term sheet

Issuer
Goldman Sachs Bank Europe SE (A+)

Linked to
Worst of 3 memory chip stocks

Term
1 year, Feb 2026 to Feb 2027

Coupon, fixed
3.905% a quarter, 15.62% a year

Barrier and strike
56% of start, checked at maturity

Early exit
Quarterly from month 6, at 100%

Currency
USD (quanto), from USD 1,000

ISIN
XS3292892810

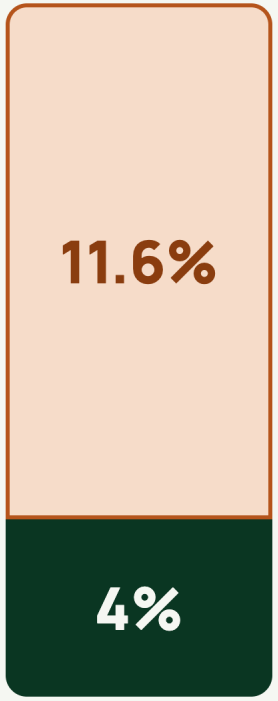
Stock	Start price	Strike, 56% of start
SK Hynix	KRW 1,099,000	KRW 615,440
Samsung Electronics	KRW 218,000	KRW 122,080
Western Digital	USD 282.25	USD 158.06

Source: Goldman Sachs final term sheet, XS3292892810

EXAMPLE, STEP 2: WHERE THE COUPON COMES FROM

Where the coupon comes from

Coupon of 15.62% a year



Option premium
Paid to you for selling a put on the stocks

Bond interest
Earned on your capital

You sell a down-and-in put

You agree to buy the worst stock at a set price if it ends below the barrier. The bank pays a premium for this.

What lifts the coupon

More volatile stocks, more stocks in the basket, a higher barrier or a longer term

In our Goldman Sachs example

Barrier and strike are both 56%, so any shares come at 56% of the start price

Split between interest and premium is illustrative

EXAMPLE, STEP 3: HOW MUCH YOU RECEIVE

Coupons on your schedule

MONTHLY

1.30%

paid 12 times a year

QUARTERLY, OUR EXAMPLE

3.905%

paid 4 times a year

SEMI-ANNUAL

7.81%

paid 2 times a year

ANNUAL

15.62%

paid once a year

On USD 100,000 this note pays **USD 3,905 every quarter, USD 15,620 a year**. The same 15.62% can be paid monthly, half-yearly or yearly; the schedule is chosen when the note is created.

Each rate shown is per payment period

EXAMPLE, STEP 4: THE CALENDAR

The calendar: coupons and checks



26 Feb 2026
Start: prices fixed

26 May 2026
Coupon 3.905%
paid 2 Jun

26 Aug 2026
Coupon 3.905%
+ early-exit check

27 Nov 2026
Coupon 3.905%
+ early-exit check

26 Feb 2027
Final coupon
+ maturity check

Early-exit check at 100%

All 3 stocks at or above start: USD 100,000 back plus that quarter's coupon. The note ends.

Maturity check at 56%

Worst stock at or above 56%: USD 100,000 in cash. Below 56%: shares of the worst stock.

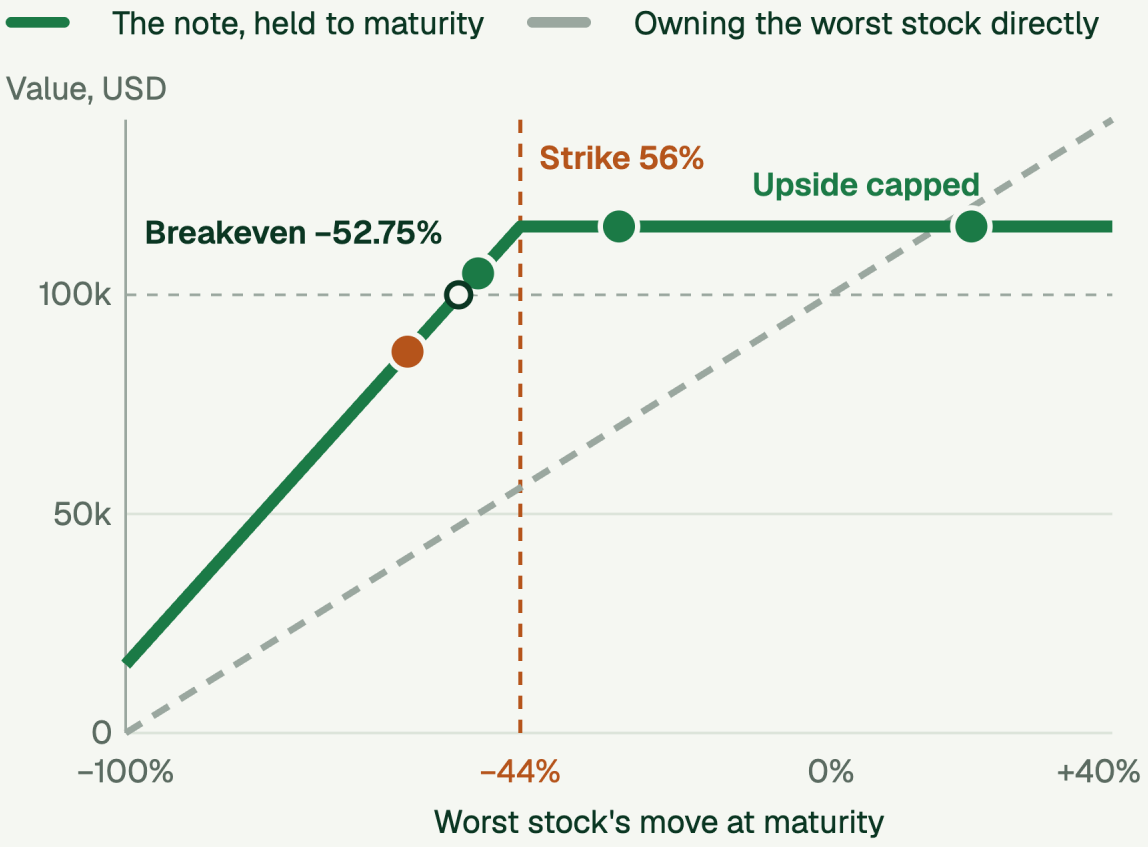
Earliest possible exit

26 Aug 2026: USD 100,000 back plus USD 7,810 in coupons, in about 6 months

Coupons are paid about one week after each observation date

EXAMPLE, STEP 5: OUTCOMES WHEN STOCKS RISE OR FALL

What USD 100,000 becomes



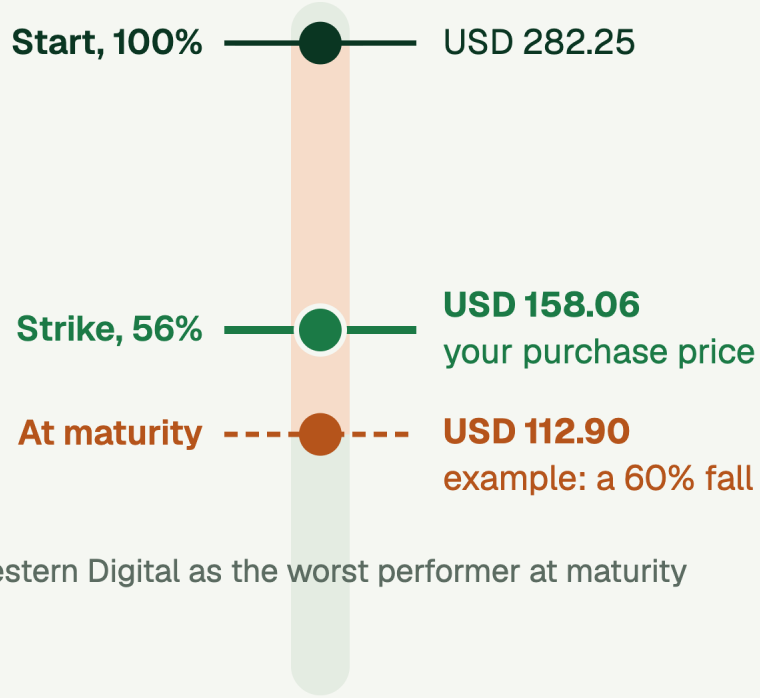
All stocks +20%, month 6 Early exit, 2 coupons. Stocks alone: 120,000	**USD 107,810**
Worst stock +20%, maturity Cash 100,000 + 4 coupons. Stocks alone: 120,000	**USD 115,620**
Worst stock −30% Cash 100,000 + coupons. Stocks alone: 70,000	**USD 115,620**
Worst stock −50% Shares 89,286 + coupons. Stocks alone: 50,000	**USD 104,906**
Worst stock −60% Shares 71,429 + coupons. Stocks alone: 40,000	**USD 87,049**
Worst stock to zero Coupons only. Stocks alone: 0	**USD 15,620**

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Per USD 100,000, before fees and taxes. Coupons total USD 15,620 over 1 year

EXAMPLE, STEP 6: RECEIVING THE STOCK

Below the barrier, you receive the stock



Western Digital as the worst performer at maturity

USD 100,000 ÷ USD 158.06 Whole shares delivered, the fraction paid in cash	**632.67 shares**
Worth at USD 112.90	**USD 71,429**
Plus coupons received	**USD 15,620**
Total value Owning the stock directly: USD 40,000	**USD 87,049**

If Western Digital climbs back to USD 158.06, your shares are worth USD 100,000 again, and the coupons stay yours.

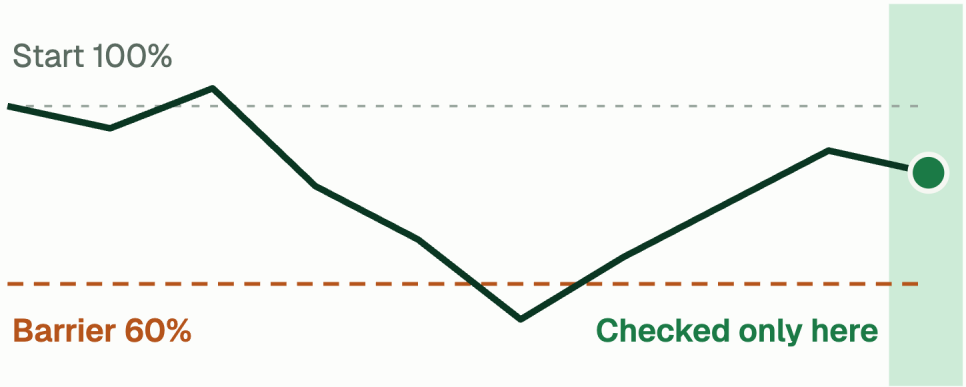
For a Korean stock, the USD amount converts to shares at the final FX rate

BARRIER TYPES

When is the barrier checked?

European Most used

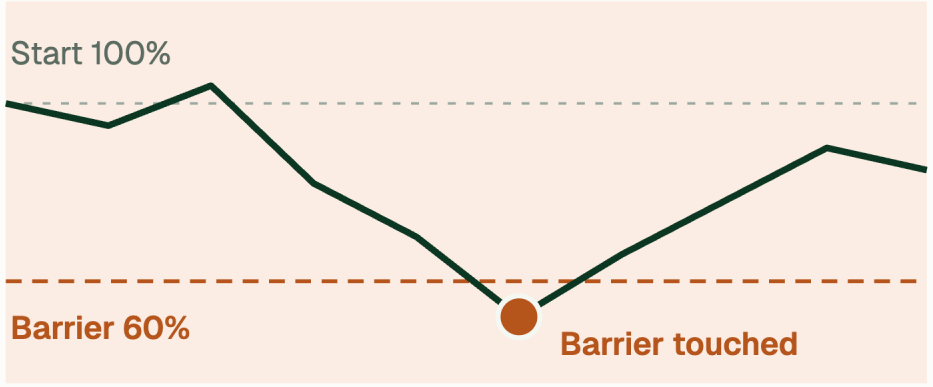
Checked only on the final day



Ends at 85%, above the barrier. The mid-life dip does not count: **100% back plus coupons.**

Continuous (American)

Checked every day of the note's life



The dip to 52% broke the barrier. Ends at 85%, below the 100% strike: **shares worth 85% plus coupons.**

Illustrative: barrier 60%, strike 100%. The Goldman Sachs note uses a European barrier

PRODUCT 2

Upside with a Safety Net

Technical name: Principal Protected Note (PPN), also called a Capital Protected Note

- Most or all of your capital back at maturity
- A share of the market's rise, sometimes more than 100%
- Upside is usually capped in exchange for the protection

UPSIDE WITH A SAFETY NET

Let’s understand it with a real example

A 14-month note from Marex, linked to a gold ETF and a copper miners ETF, with 95% of capital protected at maturity.

1
The note

2
How your money is put to work

3
Outcomes when markets rise or fall

EXAMPLE, STEP 1: THE NOTE

A 14-month note on gold and copper

Review the term sheet

Issuer
Marex Financial (BBB, S&P)

Linked to
Worst of a gold ETF and a copper miners ETF

Term
14 months, Jan 2026 to Mar 2027

Protection
95% of capital at maturity

Participation
105% of the worst ETF's gain

Cap
Gain up to +55%, max payout 152.75%

Currency
USD, from USD 1,000

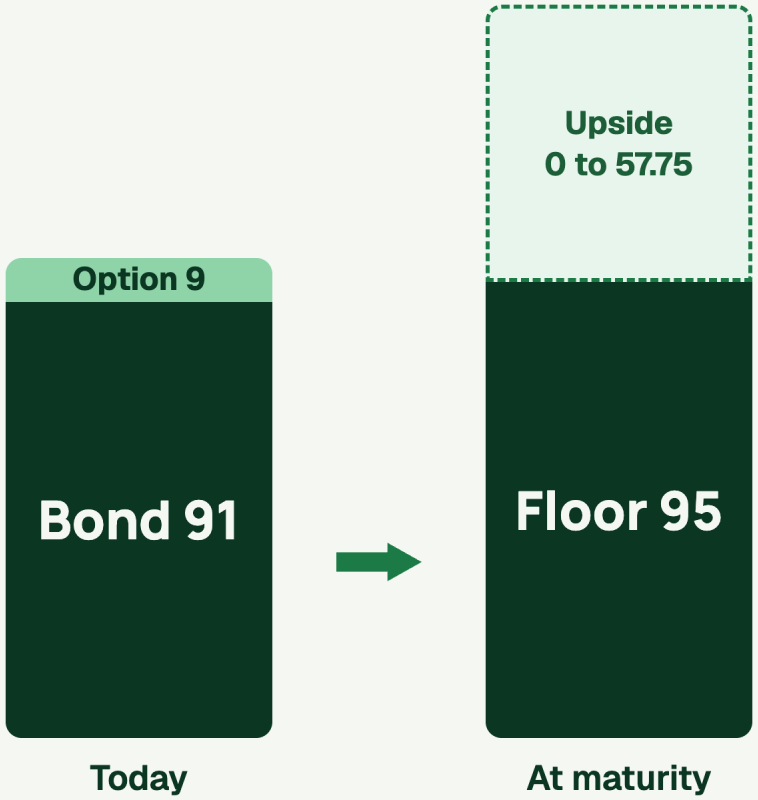
ISIN
XS3244494699

Underlying	Ticker	Start level
SPDR Gold Shares	GLD	USD 437.23
Global X Copper Miners ETF	COPX	USD 82.25

Source: Marex term sheet, XS3244494699

EXAMPLE, STEP 2: HOW YOUR MONEY IS PUT TO WORK

How your USD 100 is put to work



Market falls — **95% back**

The bond pays 95, the option expires unused

Market rises — **95% + 105% of gain**

Example: a 20% rise returns 116%

Big rally — **Up to 152.75%**

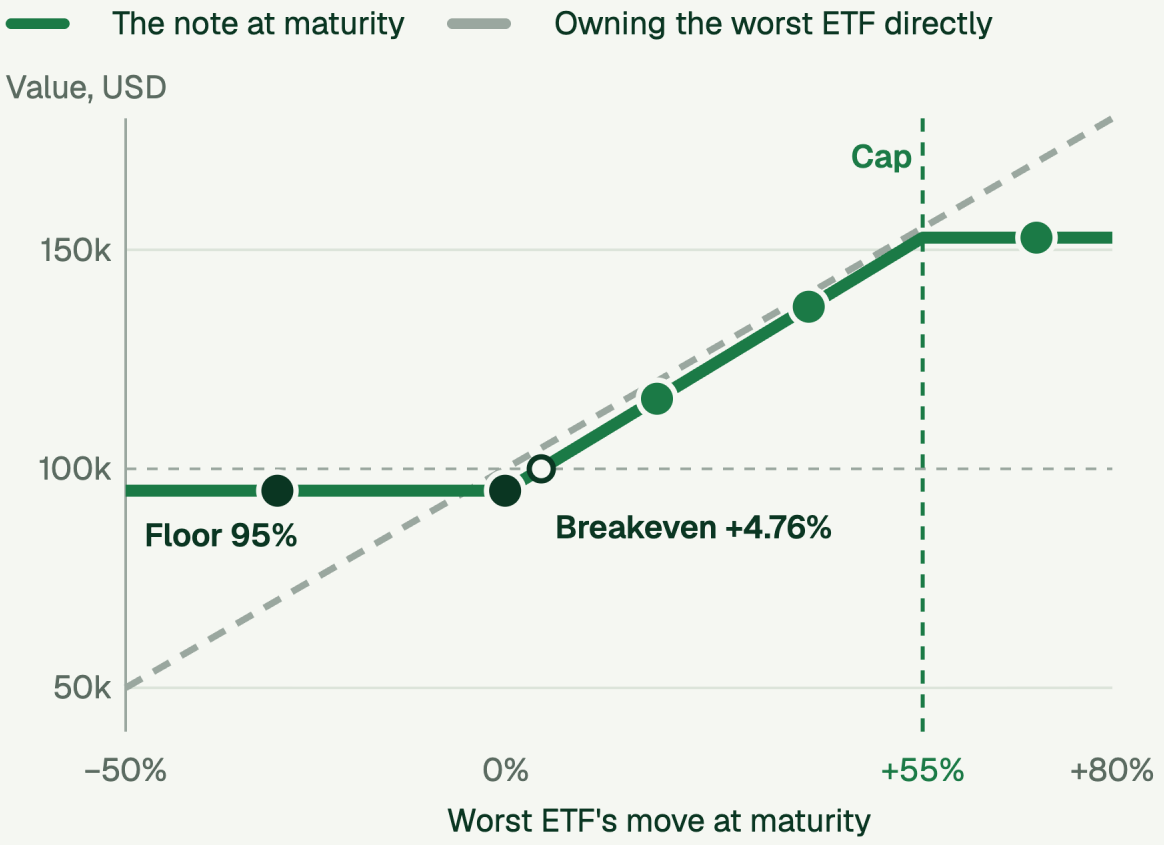
Capped once the worst ETF is up 55% or more

Higher interest rates leave more for the option, which means more upside.

Bond and option split is illustrative; payoff terms from the Marex note

EXAMPLE, STEP 3: OUTCOMES WHEN MARKETS RISE OR FALL

What USD 100,000 becomes



Worst ETF −30% — **USD 95,000**
Protected floor. ETF alone: 70,000

Worst ETF flat — **USD 95,000**
Floor applies. ETF alone: 100,000

Worst ETF +20% — **USD 116,000**
95,000 + 21,000 upside. ETF alone: 120,000

Worst ETF +40% — **USD 137,000**
95,000 + 42,000 upside. ETF alone: 140,000

Worst ETF +70% — **USD 152,750**
Capped at 152.75%. ETF alone: 170,000

Per USD 100,000, held to maturity, before fees and taxes

SIDE BY SIDE

Which note fits your view?

	Get Paid to Wait (FCN)	Upside with a Safety Net (PPN)
Your view	Flat or gently rising	Rising, with protection
Capital	At risk below the barrier	Protected, 95% to 100%
Income	Fixed coupon	None
Upside	Coupons only	Share of gains, up to a cap
Bad case	Shares of the worst stock	Protected amount back

Protection applies at maturity and depends on the issuer

BEFORE YOU INVEST

Four things to check

Issuer credit

The issuer makes every payment. Goldman Sachs is rated A+, Marex BBB. Protection is only as strong as the issuer.

Hold to maturity

Selling early is possible but limited, and the price can sit below the protected or barrier level.

Worst-of baskets

The weakest stock decides the outcome, even when the others do well. More stocks means a higher coupon and more risk.

Early exit

An early exit returns your capital sooner, but the next note may offer a lower coupon.

SOURCE DOCUMENTS

Review the term sheets

GET PAID TO WAIT

Goldman Sachs

1-year fixed coupon note on SK Hynix, Samsung Electronics and Western Digital. ISIN XS3292892810

Open term sheet

UPSIDE WITH A SAFETY NET

Marex

14-month 95% capital protected note on SPDR Gold Shares and Global X Copper Miners ETF. ISIN XS3244494699

Open term sheet

For education only. This is not an offer, solicitation or investment advice. Figures marked illustrative are examples. Scenario values follow the issuers' term sheets, assume the note is held to maturity and exclude fees and taxes. Structured notes carry issuer credit risk, can lose value and are not bank deposits. Read the full term sheet and offering documents before investing.