Key Information Document

PURPOSE

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

PRODUCT

Interest Rate Swap (Payer)

- Manufacturer: **UniCredit Bank Czech Republic and Slovakia, a.s. – www.unicreditbank.cz (subgroup of UniCredit S.p.A. together with its consolidated holdings)**
- Call +420 955 911 111 for more information.
- Česká národní banka is responsible for supervising UniCredit Bank Czech Republic and Slovakia, a.s. in relation to this Key Information Document.
- Production date of the KID: 24/10/2025

You are about to purchase a product that is not simple and may be difficult to understand.

1. WHAT IS THIS PRODUCT?

TYPE

An Over the Counter (OTC) derivative contract – Interest Rate Swap (Payer)

TERM

The product has a fixed contractually agreed term and will terminate after 5 years.

OBJECTIVES

Interest rate swaps are used for managing interest rate risks.

An interest rate swap is an agreement between two contracting parties (client/UniCredit Bank Czech Republic and Slovakia, a.s.) to exchange interest payments, calculated on a notional amount during the contractually agreed term. The interest payments are exchanged at certain agreed dates. Terms of up to ten years are customary. The term of this agreement is divided into individual interest periods, which are determined by the period applicable to the reference rate.

In an Interest Rate Swap (Payer) you pay a fixed interest rate and receive a floating interest rate (reference rate, if applicable plus a spread) in the same currency. The fixed interest rate is determined when the contracting parties enter into the swap. The reference rate (e.g. EURIBOR) is reset two banking days before the start of a respective interest period. Any reference rate with applicable periods (e.g. 3 month EURIBOR) can be selected as base for the floating interest payments. In general the parties agree to offset the two interest payments, so that only the amount in excess at the end of each interest period is actually paid. If the floating interest rate and/or the fixed interest rate is negative, the direction of the respective interest payment changes.

The notional amount of the Interest Rate Swap (Payer) serves merely to calculate the respective interest payment. There is no amount payable/receivable equal to the notional amount.

You can enter into this product also in a foreign currency.

Sample product terms are set out below and are based on legally predefined or realistic assumptions and may not match your specific contract details.

Term	5 years
Notional amount	CZK 250,000
Client pays **(fixed interest rate)**	4.38% p.a. quarterly payments day-count convention Act/360
Client receives **(floating interest rate)**	3 months PRIBOR quarterly payments day-count convention Act/360
Day-count convention	act/360 means: Interest days in the counter are based on the number of calendar days. The calendar year in the denominator is set for 360 days. 30/360 means: The calendar month consists of 30 interest days. The calendar year is set for 360 days.

INTENDED RETAIL INVESTOR

This product is designed for retail investors who

(i) hold this product for the contractually agreed term,

(ii) are in the position to bear losses that may be unlimited and

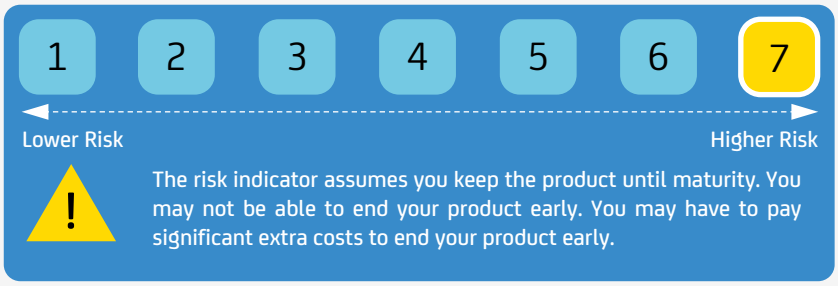
(iii) have comprehensive knowledge of and/or past experience with OTC derivatives and the financial markets.

2. WHAT ARE THE RISKS AND WHAT COULD I GET IN RETURN?

RISK INDICATOR

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you.

We have classified this product as 7 out of 7, which is the highest risk class.



In some circumstances you may be required to make payments to pay for losses. **The total loss you may incur may be significant.**

This product does not include any protection from future market performance so you could incur significant losses.

If we are not able to pay you what is owed, you could incur significant losses.

PERFORMANCE SCENARIOS

What you will get from this product depends on future market performance. Market developments in the future are uncertain and cannot be accurately predicted. The scenarios shown are illustrations based on results from the past and on certain assumptions. Markets could develop very differently in the future.

Recommended holding period: **Example notional amount:** **Scenarios**		**If you end after 1 year**	**5 years** **CZK 250,000** **If you end after 5 years**
Minimum scenario	There is no minimum guaranteed return. You may have to make further payments to cover losses.		
Stress scenario	What you might get back or pay after costs	CZK -18,391	CZK -45,528
	Average return/loss over notional amount each year	-7.4%	-3.6%
Unfavourable scenario	What you might get back or pay after costs	CZK -11,586	CZK 7,229
	Average return/loss over notional amount each year	-4.6%	0.6%
Moderate scenario	What you might get back or pay after costs	CZK -10,160	CZK 31,651
	Average return/loss over notional amount each year	-4.1%	2.5%
Favourable scenario	What you might get back or pay after costs	CZK -8,391	CZK 74,266
	Average return/loss over notional amount each year	-3.4%	5.9%

The figures shown include all the costs of the product itself, but may not include all the costs that you pay to your advisor or distributor. The figures do not take into account your personal tax situation, which may also affect how much you get back or pay.

The favourable, moderate, unfavourable and stress scenarios represent possible outcomes, which have been calculated based on simulations using the past performance of the reference rate over the past 5 years. The stress scenario shows what you might get back or pay in extreme market circumstances.

This product cannot be easily cashed in. This means it is difficult to estimate how much you would get back if you cash in before the end of the recommended holding period. You will either be unable to cash in early or you will make a large loss if you do so.

3. WHAT HAPPENS IF UNICREDIT BANK CZECH REPUBLIC AND SLOVAKIA, A.S. IS UNABLE TO PAY OUT?

Counterparties of derivative transactions are exposed to the risk that UniCredit Bank Czech Republic and Slovakia, a.s. becomes unable to discharge its obligations under the transaction, for example in the case of an insolvency (inability to pay or overindebtedness) or in the case resolution measures are taken by an authority against the credit institution. Such a decision to take resolution measures can, for example, be taken if the assets of the institution are less than its liabilities, where it is unable or will, in the near future, be unable to pay its debts or other liabilities as they fall due, or where it requires extraordinary public financial support. Where resolution measures are taken, the competent resolution authority can decide on an early termination of the derivative transaction. In the case such early termination results in a claim of the counterparty against the credit institution, the decision of the resolution authority can lead to a partial or complete reduction of the principal amount of this claim or in a conversion of this claim in to equity (shares or other types of equity).

If UniCredit Bank Czech Republic and Slovakia, a.s. does not fulfil its obligations connected with the product or is unable to pay, you can lose part of or the full payout or can suffer an unlimited loss. This product is not protected by any deposit guarantee scheme, legal or otherwise, or any other type of guarantee.

4. WHAT ARE THE COSTS?

The person advising on or selling you this product may charge you other costs. If so, this person will provide you with information about these costs and how they affect your investment.

COSTS OVER TIME

The tables show the amounts that are taken from your investment to cover different types of costs. These amounts depend on how much you invest, how long you hold the product and how well the product does. The amounts shown here are illustrations based on an example investment amount and different possible investment periods.

We have assumed:

- The product performs as shown in the moderate scenario.
- A notional amount of CZK 250,000

	If you end after 1 year	If you end after 5 years
Total costs	CZK 11,625	CZK 8,125
Annual cost impact (*)	4.7%	0.7%

(*) This illustrates how costs reduce your return in relation to the notional amount each year over the holding period. For example it shows that if you exit at the recommended holding period your average return per year is projected to be 3.2% before costs and 2.5% after costs.

COMPOSITION OF COSTS

One-off costs upon entry or exit		If you end after 1 year
Entry costs	These costs are already included in the price you pay.	Up to CZK 8,125
Exit costs	These costs only apply if you exit before maturity (end of the agreed term).	CZK 3,500

5. HOW LONG SHOULD I HOLD IT AND CAN I TAKE MONEY OUT EARLY?

Recommended holding period: 5 years

The recommended holding period corresponds to the contractually agreed term. You are not entitled to unilaterally terminate the product prematurely. However, the right of early termination may be agreed for one or both contracting parties. In the event of an agreed early termination, you will either receive or pay a compensation payment, which is made up of the market value of the product and the termination costs, including a margin earned by the bank. Significant additional costs may be incurred.

6. HOW CAN I COMPLAIN?

You can make complaints about the product, or about the behaviour of the issuer of the product or of the persons that provide advice regarding or who sell the product, on the following website www.unicreditbank.cz/PRIIPS, in writing to UniCredit Bank Czech Republic and Slovakia, a.s., Service Quality Management, Želetavská 1525/1, 140 92 Prague 4, Czech Republic or via e-mail to info@unicreditgroup.cz.

7. OTHER RELEVANT INFORMATION

Additional product information is available on request. UniCredit Bank Czech Republic and Slovakia, a.s. reviews this Key Information Document annually. The latest version of the document is available for you under www.unicreditbank.cz/PRIIPS. In addition the Key Information Document can be obtained free of charge at UniCredit Bank Czech Republic and Slovakia, a.s., Želetavská 1525/1, 140 92 Prague 4, Czech Republic. In case you need further information or looking for customer advice, feel free to contact us.