

Key Information Document – Interest Rate Swap

Purpose

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

Product

Product name	Interest Rate Swap ("Product")
Manufacturer	Garanti Bank S.A. ("Bank")
Contact information & Website	www.garantibbva.ro , for more information please call 00 40 21 208 9285
Supervisory authority	National Bank of Romania
Date	DD/MM/YYYY
ISIN Code/UTI:	

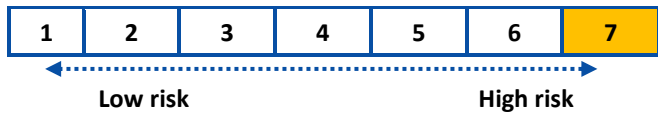
You are about to purchase a product or enter a financial transaction that is not simple and that may be difficult to understand.

What is this Product?

Type	Interest Rate Swap. The product is a derivative financial instrument traded on the OTC market (Over the counter) or via MTF (Multilateral Trading Facility), through which the Client pays a fixed interest.
Objectives	This Product allows the Client to switch from variable interest payment to a fixed interest payment in a loan. This Product achieves its goal through the acceptance of Garanti Bank S.A. of the terms of the Swap transaction at the interest rate having the Client as counterparty, through which: a) the Client agrees to pay to Garanti Bank S.A. a fixed interest rate and b) instead, Garanti Bank S.A. pays a variable interest to the Client. Fixed interest is paid at predefined terms and is calculated based on a fixed interest rate applied to a notional amount. Floating interest is also paid on pre-determined terms and is calculated on the basis of an interest rate index (ROBOR, EURIBOR etc.), which may vary over the life of the contract, applied to the same notional amount. Thus, at each payment term: a) if the variable interest rate is higher than the fixed interest rate, the Client will receive the difference from Garanti Bank S.A. ; b) if the variable interest rate is lower than the fixed interest rate, the Client will pay the difference to Garanti Bank S.A.. Example: Trade date: 25.04.2023 Start: 25.04.2023 Maturity:24.04.2028 Currency: EUR Nominal amount: 1,000,000 Amortisation: Bullet Fixed interest rate: 3.20% Floating interest rate: 3-month Euribor Fixed interest payment: Quarterly Floating interest payment date: Quarterly Fixing dates: Quarterly Day count – fixed rate: Act/360 Day count – floating rate: Act/360
Suitable for Retail investors	<ul style="list-style-type: none">• Who have the capacity to take the risk of losing the invested amount• Who have the ability to keep the Product for the recommended period• Who expect an increase of the floating rate over the contractual period• The duration of the contract will be mentioned in the trade confirmation
Contract duration	<ul style="list-style-type: none">• The transaction is a bilateral agreement and one cannot be terminated unilaterally by either party. The terms of the contract will mention the situations in which a) Garanti Bank S.A. may amend the terms of the transaction and b) The Client or Garanti Bank S.A. may terminate the transaction before the maturity. These situations are detailed in the contractual documentation. The amount received in this case (if) will probably be different from the scenarios shown below.
Maturity	<ul style="list-style-type: none">• This product has a specific maturity date, communicated by the client.• The Bank will not be able to cancel it unilaterally during the contractual period.

What are the risks involved and what could I get in return?

Risk indicator



The risk indicator takes into account that you will keep the Product for a period of 5 years. The real risk may vary considerably in the case of closing the transaction pre-term because you may need to sell the product at a price that may significantly affect your earnings.

The Synthetic Risk Indicator is a guideline for the level of product risk compared to other products. Indicates the likelihood that the product will lose its value as a result of market developments or because we will not be able to pay you. We ranked this product in risk class 7 on a scale of 7, where 7 represents the "highest risk". This assessment qualifies the possibility of future loss of profitability as 7 = "very high", and the likelihood that an unfavorable market conjuncture will influence our ability to pay. Consider the exchange rate risk. You will receive payment in a different currency, which means that the return you will effectively get will depend on the exchange rate between the two currencies. This risk is not taken into account in the aforementioned indicator. In some situations, you may be asked to make additional payments, as collateral, for your losses. The total losses you may incur may substantially exceed the amount invested. OTC Derivatives are classified by law in risk class 7 out of 7. This product does not include any capital protection against market risk, which is why you may lose some or all of your investment.

[If we can not pay you the amount you owe, you could lose the entire investment.]

Performance Scenarios

Warning: Market developments in the future cannot be accurately predicted. The scenarios shown are only an indication based on the past results and certain hypothesis.

EUR 1,000,000		1 year	3 years	24.04.2028
Stress scenario	How much you can get after deducting expenses	EUR -87.857,78	EUR -90.469,03	EUR -91.277,72
	Average return	-8,77%	-3,01%	-1.83%
Unfavorable scenario	How much you can get after deducting expenses	EUR -184.734,02	EUR -193.497,12	EUR -197.459,03
	Average return	-18,44%	-6,45%	-3,95%
Moderate scenario	How much you can get after deducting expenses	EUR -332.200,26	EUR -353.603,31	EUR -361.187,51
	Average return	-33,15%	-11,78%	-7,22%
Favorable scenario	How much you can get after deducting expenses	EUR -153.995,05	EUR -76.476,25	EUR -77.899,05
	Average return	-15,37%	-2,55%	-1,56%

This table shows the amounts you can receive or pay over the following 5 years, depending on different scenarios, assuming you invest a nominal amount of EUR 1.000.000. We need to warn you on the limitations of the figures shown above. The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios of other products. The scenarios presented are an estimate of future profitability based on historical data and are not an exact indicator. The amount you will receive will vary depending on the market's evolution (extreme market conditions) and the period for which you will keep the product. If this product can not easily be disposed of, this means it is difficult to estimate the exact amount you will receive if you sell it before the recommended retention period. You will not be able to sell it in advance, you will pay a high cost or you will suffer a significant loss if you do. The figures presented include all the costs of the product mentioned. The figures do not take into account the personal tax situation, which can influence the amount received.

What if the Garanti Bank S.A. is unable to pay out?

The client will suffer a financial loss. In addition, this Product is not covered by the Bank Deposit Guarantee Fund or by any other guarantee/compensation or guarantor system. If the manufacturer becomes insolvent or is affected by resolution measures taken by the competent authority before insolvency, you may not receive the amounts due under the terms of the product.

What are the costs?

The decrease in yield (RIY) indicates the impact of the total costs you will incur on the possible return on investment. Total costs include one-off, recurring and additional costs. The amounts shown below are the cumulative costs of the product per se. Include possible penalties for early withdrawal. The figures assume that you will invest EUR 1.000.000. Figures are estimates, which means they can be changed in the future.

Costs over the holding period

EUR 1,000,000	Closing after minimum recommended holding period
Total costs	EUR 5.000
Impact on return (RIY)	0.50%

Costs

The following table indicates:

- The annual impact that the different types of costs may have on return on investment at the end of the recommended holding period
- The explanation of different cost categories

The impact on the yearly return			
One-off costs	Total costs	0.50%	The impact of the costs you pay to invest. [This is the maximum amount you will pay and you can pay less]. [This amount includes the cost of sharing the product].
	Break-up costs	N/A	The impact of expiration costs on the expiration date.
Recurrent costs	Trading Portfolio costs	N/A	Impact of costs generated by the purchase and sale of underlying assets.
	Other recurrent costs	N/A	The impact of annual costs on managing your investments.
Additional costs	Performance commissions	N/A	The impact of the commission. We deduct these commissions from your investment if the product obtains a return higher than its reference index [y x%]
	Over-performance commissions	N/A	Impact of account participations. It is perceived when the investment [has yielded more than x%]. [After the renunciation of the investment, a y% of the yield will be paid]

How long should I hold the Product and can I take money out early?

Recommended holding period: 5 years

The product aims to provide with the pay-off described at Purpose above. However, this only applies if the Product is held to maturity. The Product does not allow early termination or early repayment without the Bank's prior consent. We do not charge a Product cancellation commission under the condition that you keep it until maturity. In case of early termination before the recommended period, this may result in additional costs on your side. In case of early termination by mutual agreement or in case of default, the Product will be canceled in accordance with the "Market Value", which may generate a loss or a gain for the Client. Alternatively, you may enter into a new product offsetting the terms of this product.

How can I complain?

Complaints about Bank's conduct or on selling of this Product by the Bank should be addressed in writing to Garanti Bank S.A., 5 Fabrica de Glucoză Street, Business Center Novo Park 3, F Building, 5 & 6th floors, sector 2, 020331, Bucharest or via e-mail at contact@garantibbva.ro. More information on the registration of complaints can be found Garanti Bank S.A. website www.garantibbva.ro, Contact section.

Other relevant information:

For full and detailed information on the operation and risks presented in the 'Other relevant information' section, please read the pre-contractual information document available on the agency network of Garanti Bank S.A. and on the Bank's website. Moreover, you can contact Garanti Bank S.A. assigned employees providing relevant services to clients on this product, mentioned on the last page in the MiFID Client Information Package that you received and that is also posted on the Bank's website, MiFID section. Examples of prices and cost levels have been included so that the Client can better understand the Product, but they are estimates and these may be different when the contract is concluded. The performance scenarios shown in this document are based on a methodology established by applicable EU regulations. Complying with the calculation methods provided by these regulations may generate unrealistic scenarios for certain products, however, we are still required to explain and apply them.