Investment Information Booklet

Description of the products

Overview of investment opportunities and their risks

31 July 2026

Information on financial instruments distributed by UniCredit Bank Hungary Zrt.

The following document is intended to help you navigate the financial instruments offered to retail clients under MiFID, in accordance with UniCredit Bank's Client Classification Policy, by outlining the risks associated with each security.
Risk represents the possibility of not achieving the expected return on an investment or of losing part or all of the invested capital. In other words, it reflects uncertainty regarding the outcome of an investment.

General investment risks

Foreign exchange rate risk
For investments denominated in a foreign currency, the return depends not only on the performance of the security itself but also on exchange rate movements when converting the investment into the investor's domestic currency. Exchange rate fluctuations may either increase or decrease the investor's return.

Country risk
The risk that political and/or economic problems may arise in a particular country, potentially affecting the value of financial instruments held by investors.

Liquidity risk
Liquidity risk refers to the possibility that investors may be unable to sell the given financial instrument or may only be able to do so by causing a large price fluctuation.

Credit risk
The risk that a party fails to meet its payment obligations in full, either on the due date or at a later time. International credit rating agencies provide guidance on the creditworthiness of issuers. Credit ratings typically range from "AAA" (highest quality) to "D" (default).

Interest rate risk
The risk of losses resulting from future changes in market interest rates. Rising market interest rates generally reduce the value (price) of bonds, while falling rates tend to increase them.

Risk of total loss
The risk of losing the entire value of an investment. This may occur if the issuer of a security becomes insolvent for economic or legal reasons and is unable to meet its payment obligations (becomes insolvent).

BOND

Definition
A bond is a registered debt security. By issuing a bond, the issuer (debtor) undertakes to pay the current bondholder (creditor), at the specified time and in the specified manner, the principal amount stated in the bond together with the predetermined interest or other yield (hereinafter jointly referred to as "interest"), as well as any additional services or benefits undertaken by the issuer.

Return on investment
The return on a bond is, on the one hand, the interest rate and, on the other hand, the price that the investor gains from the appreciation or depreciation of the bond's price. Accordingly, if the investor sells the bond at market price before its maturity, its actual return can be higher or lower than the initial expected return. Transaction costs must be deducted when calculating the total return on the investment.

Credit risk
There is always a risk that the issuer may be unable to meet its repayment obligations and may become insolvent. Therefore, the issuer's credit rating is an important consideration in the investment decision-making process. Independent credit rating agencies, such as Moody's, Standard & Poor's, and Fitch Ratings, classify bonds in terms of creditworthiness. Ratings generally range from **AAA** (highest quality) to **D** (default). The credit rating of Hungarian government bonds is available on the following website: www.akk.hu. Lower-rated bonds typically carry a higher risk of default; however, in compensation for this additional risk, they generally offer higher interest payments (risk premium).

Market price risk
If an investor holds a bond until maturity, the redemption value (nominal value) will be repaid upon maturity. Investors should also be aware that, where permitted by the terms and conditions of the issue, the issuer may redeem the bond prior to maturity.
If an investor wishes to sell a bond before maturity, it may be sold at the spot market price. This price is determined by market supply and demand, and is closely linked to movements in market benchmark interest rates. For example, the price of a fixed-rate bond generally falls when market interest rates rise, and the price of a fixed-rate bond generally rises when market interest rates decline.
Changes in the issuer's creditworthiness may also affect the market price of the bond. One important risk indicator is the duration of the bond (average remaining maturity).
The longer the remaining duration of a bond, the riskier the given bond is considered to be.

Liquidity risk
The marketability of a bond is influenced by a number of factors, such as the issue volume, time to maturity, stock exchange rules, and market conditions. Investors are forced to hold securities that are difficult to trade or are not marketable at all until maturity.

Bond trading
Bonds may be traded both on the stock exchange and over-the-counter (OTC market). The Bank quotes bid and ask prices for certain bonds. The details are set out in the Execution Policy that forms part of the Bank's Terms and Conditions.

The prices of bonds traded on the BSE (Budapest Stock Exchange) can be tracked on the https://bse.hu/ website.

Bonds and bond-type securities distributed by the Bank

1. Government securities

By purchasing a government security, you lend money to the Hungarian State for a predetermined period. The State undertakes to repay the full principal amount together with interest at maturity.

Risk: minimal, there is a market price risk (or credit risk) only in the event of redemption before maturity.

Discount Treasury Bills (Diszkont Kincstárjegy, DKJ) are government securities with a maturity of less than one year. They do not pay interest but are traded at a discount price that is lower than the nominal value and are redeemed at the nominal value at maturity. The discount amount is the difference between the nominal value and the purchase price. The basic denomination of Discount Treasury Bills is HUF 10,000.

The range of Discount Treasury Bill purchasers is set out in the Prospectus and the Public Offering for the given security.

Bónusz Hungarian Government Bond (BMÁP) is a floating-rate dematerialised security denominated in HUF 1 nominal units and linked to the average yield of Discount Treasury Bill (DKJ) auctions, which is sold in the framework of a metered release. The sale of BMÁP bonds was suspended between 1 June 2019 and 29 September 2022. The amount of interest payable consists of the interest base and the interest premium. The series issued on or after 30 September 2022* provide an interest premium above the interest rate premium equal to the arithmetic average of the four successful 3-month DKJ auctions prior to the date of determining the interest rate, weighted with the quantities accepted at the given auction. Interest is paid quarterly, and at the end of the term, is credited to the client's account together with the principal. No interest tax will be levied on BMÁP series issued on or after 30 September 2022. In the case of series, a Sales Limit has been set for distributors, the amount of which will be precisely defined in the prospectus and public offer for the series. The series of Bónusz Hungarian Government Bonds issued after 1 June 2019 are exempt from the obligation to pay social contribution tax pursuant to Act LII of 2018 on Social Contribution Tax. BMÁP bonds can be obtained by natural persons who qualify as (foreign currency) residents or non-residents during the placing on the market (primary market). BMÁP bonds may be purchased and transferred on the secondary market between persons entitled to acquire BMÁP bonds on the primary market following the placement on the market. For information on the distribution conditions of each series, please refer to the public offering and prospectus for the respective series.

Premium Hungarian Government Bond (PMÁP) is a floating-rate, inflation-linked dematerialised security denominated in HUF 1 nominal units, which is sold in the framework of a metered release. With the exception of certain interest periods of certain series**, the interest rate consists of the interest base and the interest premium. The bond provides an interest premium that differs from series to series – or even between interest periods – above the percentage of the annual average change in the consumer price index officially published by the Central Statistical Office as the interest rate base for the calendar year preceding the year in which the interest rate is determined. The determination of the interest rate is included in the public offering of each series. In the case of series issued on or after 30 September 2022, a Sales Limit has been set for distributors, the amount of which will be specified in detail in the prospectus and public offering of the series. Interest payments on all PMÁP series are made annually. At the end of the term, the interest is credited to the client's account together with the principal. PMÁP bonds can currently be obtained by natural persons who qualify as (foreign currency) residents or non-residents during the placing on the market (primary market). PMÁP bonds may be purchased and transferred on the secondary market between persons entitled to acquire BMÁP bonds on the primary market following the placement on the market. No interest tax will be levied on series issued after 1 June 2019, and the series of Premium Hungarian Government Bonds issued after this day will also be exempt from the obligation to pay social contribution tax under Act LII of 2018 on Social Contribution Tax. For information on the distribution conditions of each series, please refer to the public offering and prospectus for the respective series.

Fixed Hungarian Government Bond (FixMÁP) is a fixed-rate dematerialised security denominated in HUF 1 nominal units, which is sold in the framework of a metered release. The maturity of the Fixed Hungarian Government Bonds currently traded is 3 years. The security has a quarterly interest payment, and the interest paid every three months is credited to the investors' accounts. In the case of FixMÁP series, a Sales Limit has been set for distributors, the amount of which is precisely defined in the prospectus and public offering for the series. FixMÁP bonds can currently be acquired by natural persons qualifying as (foreign currency) residents or non-residents during the placing on the market (primary market), while persons entitled to acquire the bonds on the primary market can buy them on the secondary market and transfer those between themselves after they are placed on the market. No interest tax is levied on FixMÁP series, and they are also exempt from the obligation to pay social contribution tax under Act LII of 2018 on Social Contribution Tax. For information on the interest rate and distribution conditions of each series, please refer to the public offering and prospectus for the respective series.

Hungarian Government Bond Plus (MÁP+) is a fixed-rate, tiered interest rate security with a 5-year maturity denominated in HUF 1 nominal units. Starting from 3 June 2024, it will be sold through a metered release. The Hungarian Government Bond Plus can be purchased during the sales period at a net price of 100% plus accrued interest.

In the case of currently marketed MÁP Plus bonds, the interest benefit is paid annually. On the date of interest payment (with the exception of the last interest payment date at maturity), the interest will be credited to the securities account of the MÁP Plus owner in the form of government securities of the same series, with a nominal value equal to the amount of interest expressed in money. At the end of the term, the MÁP Plus owner is entitled to an interest amount expressed in HUF on the last interest payment date at the maturity date. In the 5 working day intervals following the interest payments, distributors quote the purchase price for the Hungarian Government Bond Plus series at a net exchange rate of 100% (i.e. without capital losses) plus the accrued interest according to the value date of the repurchase on the other working days, while on the other working days as described in their business regulations, so MÁP Plus bonds can also be sold during its term. In the case of MÁP Plus series to be released from 3 June 2024, a Sales Limit has been set for distributors, the amount of which will be precisely determined in the public offer for the series. No interest tax is levied, and the MÁP Plus series are also exempt from the obligation to pay social contribution tax under Act LII of 2018 on Social Contribution Tax. MÁP Plus bonds can be obtained by natural persons who qualify as (foreign currency) residents or non-residents during the placing on the market (primary market). For information on the distribution conditions of each series, please refer to the public offering and prospectus for the respective series.

In addition to the products described above, Hungarian Government Bonds are also available at our bank with maturities exceeding one year, offering either fixed or floating interest rates depending on the relevant issuance terms.

Information on government securities distributed at our Bank is available on our website under Government bonds and shares.

Risks related to investments in government securities

The risk arising from changes in the interest rate must be taken into account in the case of investments in government securities. Changes in market interest rate levels also affect the return on investment in the case of fixed and variable-rate government securities. The prices and yields of government securities are primarily determined by the supply and demand conditions of investors. The higher the demand, the more it drives the exchange rate up, with exchange rates falling in the case of an excess of supply. This may also affect the price of previously issued government securities. It is generally true that the present value of a given future cash flow will become lower with the increasing expected market return.

When buying long-term, fixed-rate government securities, the investor's risk lies in the fact that market yields rise, as the value of fixed interest rates decreases as a result. It is worth choosing a long-term, fixed-rate security if the market expects a decrease in market yield over a given period of time.

Government securities are liquid investments due to extensive secondary market turnover. During the maturity period, the market price of the securities – at which the given security can be bought or sold – may change daily; even in the case of fixed-rate securities, the yield that can be achieved if the owner is unable to keep the security until maturity is uncertain.

Country risk means that the repayment of the interest and the nominal value of the bond depends on the economic situation of the issuer's country and any expected or unexpected events that may occur there. In the case of bonds not denominated in Hungarian forints, we must take into account the fact that exchange rate fluctuations can cause capital losses, which is called foreign exchange rate risk.

Another potential risk involved in government securities investments is the risk of default (e.g. earlier Argentina, Greece), which can vary greatly from issuer to issuer. Of the main indicators, the CDS spread[1], market yield, and rating grades of individual credit rating agencies may be relevant when assessing the risk of default. In general, there is no need to worry that the issuer, i.e. the given state, would refuse to return payment. Very rarely, in the event of a sovereign default, the government securities may not be repaid, but even in these cases, issuers usually seek to negotiate and perform in order to satisfy their future financing needs. However, in extreme cases a government security may lose its value completely, leading to the loss of the invested capital.

In the case of foreign currency government bonds, in addition to the risk factors listed above, it is worth considering two additional risk factors stemming from the fact that the foreign currency bond is not denominated in HUF, and the value of the currency of issue expressed in HUF may show significant changes during the maturity period due to the movement of foreign exchange rates.

2. Mortgage bond

Mortgage bonds work similarly to government securities: you lend money to the issuing mortgage bank for a predetermined period of time, which undertakes to repay the full amount of the securities at maturity, plus interest.

Risk: moderate, in the case of redemption during the term, there is a liquidity risk, an exchange rate risk, and a credit risk against the issuer.

Information about mortgage bonds issued by UniCredit Mortgage Bank Ltd. is available on our website in Hungarian: https://www.unicreditbank.hu/hu/popupeditpages/rolunk/sajtokozlemenyek/2007/az-unicredit-jelzalogbank-zrt--reszvenyesi-hatarozatai.html.

3. Other bonds

Other bonds distributed by the Bank include student loan bonds, various corporate bonds, and bonds issued abroad.

Risk: the risk of student loan bonds is minimal, there is an exchange rate risk only when the bond is redeemed during the term, and there is a credit risk, while the risk of corporate bonds and bonds issued abroad varies.

For more detailed information, please contact our branches.

Risks related to corporate bond investments

In the case of corporate bonds, we can typically expect a higher yield than the yield of government securities; however, in addition to the risk factors to be taken into account, there are other risks that must also be factored in, so it is typically a product with a higher risk level than government securities. When considering investing in corporate bonds, it is necessary to be aware of the liquidity, exchange rate, and interest rate risks associated with the security, as well as the

[1] CDS: credit default swap. The CDS spread is the premium on market insurance swaps linked to the risk of a sovereign debt default. The lower the value, the safer the market considers the government bond to be.

risk factors affecting the return on investment arising from changes in the regulatory, tax, and economic (macro) environment in Hungary.

It should be considered that the market price of bonds can fluctuate, and in the case of certain special bonds (e.g. indexed rate bonds), the interest payment of the bond is subject to the fulfilment of a future condition. As a result, even the owner of the bond will not be entitled to the amount of interest at all.

Additionally, attention must be paid to the uncertainty factors related to the operation of the issuer, which may negatively affect the future solvency of the Bond issuer towards bondholders: the most important risk factors affecting the issuer are credit, interest rate, foreign exchange rate, liquidity, and operational risks.

Similarly to foreign currency government bonds, two types of factors must also be taken into account in the case of foreign currency corporate bonds. In addition to the foreign exchange rate risk, the risk of the issuer differs from the sovereign debt risk detailed earlier. In all cases, the "rating" of the bond, which is published by international credit rating agencies as part of the terms and conditions of the bond, serves as important information for the investor.

Movement of the prices of government securities and corporate bonds

The movement of bond prices is mainly influenced by two factors, the change in yield and the remaining maturity. The effect of a change in yield of one percentage point on the exchange rate (the extent of our loss or profit) is, to use some simplification, proportional to the remaining maturity of the given government securities/corporate bonds. So, if government securities/corporate bonds mature in 10 years, a 1% market interest rate/yield change will result in a 10% gain or loss. If government securities/corporate bonds mature in 1 year, the same equals a 1% gain/loss. (It is important to note that this is a simplified approach: as the specific calculation method is more complicated, we use wording that is easy to understand. The above provides a good estimate of the expected change.)

SHARES

Definition

By purchasing a registered, marketable security with a nominal value and representing membership rights, i.e. a share, you become one of the owners of the given company.

Return on investment

The value of the share is in line with current supply and demand, but can also be affected by almost all other factors (the management of the given company, its prospects, domestic and foreign economic effects, domestic and foreign policy effects, etc.). The expected return of shares basically depends on two factors: the size of the dividend (the payment of dividends is stipulated by the companies in their dividend policy) and the expected price gain. There is no guarantee for yield or price gains, which is where the very high risk of shares lies. However, in the long run high risk can also provide a high return potential.

Equity risks

Market price risk

Shares listed on the stock exchange are publicly traded on stock exchanges. The price of securities is determined by supply and demand, which is based on the expectations of investors. In addition, irrational factors (investor willingness, public opinion) can also influence the development of the share price and thus the return on investment. Although in some cases even the total amount invested in an individual share can appear as a loss (e.g. a certain company goes bankrupt), the invested amount itself can even be multiplied.

The share price can be accompanied by significant shifts, the extent of which can be quite extreme – in either direction. At the same time various limits are set on the Budapest Stock Exchange share section, so no extremely large (over 20%) price fluctuations can occur within a day. In the case of equity investments, the maximum a client can lose is their invested capital (e.g. if a listed company goes bankrupt and there is no amount available at the end of the bankruptcy proceedings to satisfy shareholder claims).

Credit risk

Since shareholders have stakes in the company, their investment will be devalued in the event of the company's insolvency.

Liquidity risk

Liquidity risk means that investors are unable to sell a given stock – or can only do so by causing a large price fluctuation. The marketability of a certain stock is influenced by many factors, such as stock exchange rules, market conditions, market situation, and free float.

Issuer-related risks

The specific risk of a share is the risk arising from the company's operation: how well its result meets expectations, what kind of owners it has, what the company's management is like, etc.

Foreign exchange rate risk

In the case of shares issued in other currencies by companies registered abroad, in addition to the general risks mentioned above the risk of the currency of the investment also has to be taken into consideration, as their market movements also affect the return achieved on the investment.

Stock valuation risks

As the prices of shares can be influenced by many factors, the specific risk of the securities and the market risk must be taken into account when valuing shares. The assessment of market risk has to consider the macroeconomic (interest rate policy, exchange rate policy, budget, inflation, balance of payments, operating industry, etc.) and the political situation of the given country as well as the global market situation (what exchange rate and interest rate policies are pursued by the leading central banks, what macroeconomic processes are taking place (economic growth, inflation, etc.)).

Analysts and investors evaluate companies and make decisions based on these factors. The degree of transparency of operations and the emphasis they place on providing information plays a very important role in the assessment of individual companies.

Stock trading

Stocks can be traded both on the stock exchange and on the OTC (over-the-counter) market. Stock exchange rules are applicable when trading on a stock exchange. Details of the execution of orders for shares are set out in the Bank's Execution Policy.

You can find more information about the distribution of shares on our website under the Shares section.

INVESTMENT FUND

Definition

An investment fund is a pool of assets with legal personality created and operated by the public or private issuance of investment units, managed by the investment fund manager on the basis of a general assignment from investors and for their benefit. An investment unit is a transferable security issued in the name (and for the benefit and debit) of the investment fund in a series, in the manner and form specified in the legislation in force, providing property and other rights.

An investment unit is an instrument that allows individual investors to invest, with risk-sharing, their savings in a simple, safe and cost-effective manner in the real estate market and in other financial instruments. Investors benefit from the returns realized in proportion to their investment.

There are many variations available, according to either their risk or investment policy.

Traditional funds		
Money market funds	Short-term money market funds	A money market fund under Article 2(14) of Regulation (EU) 2017/1131 of the European Parliament and of the Council on money market funds.
	Standard money market funds	A money market fund under Article 2(15) of Regulation (EU) 2017/1131 of the European Parliament and of the Council on money market funds.
Bond funds	Short-term bond funds	The average remaining maturity of the assets in the portfolio is between 6 months and 3 years.
	Long-term bond funds	The average remaining maturity of the assets in the portfolio exceeds 3 years.
	Bond funds with free maturity	Funds that do not adhere to a predetermined duration limit.
Mixed funds	Bond-overweight (or Cautious) mixed funds	The proportion of non-bond-type assets in the portfolio does not exceed 35%. Non-equity assets may amount to a maximum of 20% per category (e.g. real estate, commodity, etc.) – from this point of view, the units represent an exposure entirely corresponding to the category, regardless of the fund's commitment level.
	Balanced mixed funds	The proportion of non-bond-type assets in the portfolio is 35-65%. Non-equity assets may amount to a maximum of 40% per category (e.g. real estate, commodity, etc.) – from this point of view, the units represent an exposure entirely corresponding to the category, regardless of the fund's commitment level.
	Dynamic mixed funds	The proportion of non-bond-type assets in the portfolio exceeds 65%. Non-equity assets may amount to a maximum of 40% per category (e.g. real estate, commodity, etc.) – from this point of view, the units represent an exposure entirely corresponding to the category, regardless of the fund's commitment level.
Equity funds		The proportion of equity-type assets in the portfolio exceeds 80%.
Special funds		
Commodity funds		Funds that represent at least 50% of commodity market exposure (either via funds or derivatives).
Absolute return funds		Funds that aim to achieve a positive return regardless of the capital market environment and consider exceeding the risk-free return as a starting point.
Capital protected funds		Funds that promise and guarantee yield and capital preservation.
Derivative funds		Funds investing in derivative contracts that are not included in the above funds.
Real estate funds	Funds investing in direct real estate	Funds that achieve real estate exposure by holding direct real estate investments.
	Funds investing in indirect real estate	Funds that realize real estate exposure exceeding 40% indirectly (via funds, real estate shares, etc.)

Return on investment

The amount of the joint pool of assets allocated to a single investment unit at a given moment is shown by the net asset value per unit (the price of the investment unit). To calculate this, the value of the fund's assets must be determined continuously based on the current market value of each asset; this forms the net asset value of the fund. It is important to note that the net asset value already includes the costs of the fund, so it practically represents a pure asset value, which is theoretically the value for which the fund's assets could be sold.

Risks related to investment funds

Credit risk

For investment funds, credit risk is the risk of the fund's assets. The assets in which an investment fund invests are determined by its investment policy. The investment policy and risk factors are always included in the Fund's Prospectus.

Liquidity risk

From the aspect of the liquidity (redeemability) of investment units, funds can be divided into two main groups. In the case of open-ended funds, investment units can be purchased and redeemed continuously; for closed-end funds, redemption can only take place at the end of the maturity period, when the fund is dissolved. If the units of closed-end funds are listed on the stock exchange, their liquidity may be low due to the above.

Risk arising from the economic environment

The government and economic policies of each country can influence the general capital market conditions. Influencing factors may include economic growth, exchange rate policy, interest rates, inflation, and the size of the budget deficit.

Political risk

The government policy of each country may change from time to time, which may affect the capital market as well as the net asset value of the investment fund.

Foreign exchange rate risk

The securities that make up the portfolio of investment funds may be denominated in different currencies, as a result of which the value of these securities expressed in each currency may change significantly when converted into HUF, depending on the fluctuation of the exchange rate between the given currency and the forint.

Pricing and settlement risk of derivatives

Some funds share in the performance of the underlying products by way of derivatives (e.g. derivative funds). In these cases, a problem can arise if the trading of the underlying asset is suspended for a few days or even ceases completely. In this case, the fund manager may agree on a new clearing and pricing arrangement with the originator of the derivative product in the interest of the unitholders, which may even have a negative impact on the net asset value of the fund.

Risks associated with securities issuers

The issuers of securities in the portfolio of investment funds embodying membership rights may produce poor economic results and may be subject to bankruptcy or liquidation proceedings, which can adversely affect the portfolio of the funds and the owners of the investment units in the form of underperformance of returns, exchange rate losses, and low liquidation value. If the issuer of debt securities held by the fund or the credit institution taking the fund's deposits becomes insolvent and is unable to meet its payment obligation, refuses to meet the payment obligation in part or in full, or fulfils its payment obligation in an inappropriate time, this may adversely affect the fund's net asset value and the price of the investment units. A similar risk may arise if a given fund holds additional units or other financial instruments issued by funds in its portfolio.

Partner risk

If the partners involved in the transactions concluded by the fund manager on behalf of the fund do not fully comply with their obligations, this may adversely affect the net asset value of the funds and the price of the investment units.

Risks associated with investment in investment funds

The previously listed investment fund categories are associated with different risks. For investment funds traded in Hungary, it is mandatory to prepare a Key Investor Information Document (KIID) containing the details of the main characteristics and risks of the given investment fund and classifying the risk level on a 7-point scale (1 being the least risky).

The international and domestic regulation of investment funds strictly separates the tasks of investment decision-making, the settlement of transactions, and the safekeeping of invested assets. Moreover, fund managers cannot dispose of the assets of investment funds independently, i.e. without the control of independent custodians. The eventual bankruptcy of fund managers may not affect the assets of investment funds, which are kept completely separate from the assets of fund managers. The investment policy of investment funds exactly specifies the risk limits that funds can undertake. The diversification of the assets in the funds aims to reduce the risks affecting the price of the funds, but there are investment funds where a more significant price decrease may occur due to certain market effects (e.g. derivative funds, funds investing in leveraged transactions). In the case of investments in investment funds, clients can lose a maximum of their invested capital; however, due to the legal regulations described above, the probability of this is quite low.

The individual risks of assets in funds can determine the risk of funds. For example, in the case of an equity fund, diversification can be based on geographical, sectoral, economic (developed/developing), macroprudential, and many other aspects. If an event occurs that causes global exchange rates to fall or rise, this can have a significant impact – either negative or positive – on the net asset value of this investment fund (e.g., the Swiss National Bank's decision to abolish the fixed EUR-CHF exchange rate).

UniCredit Bank's investment fund offer includes the products of the following fund managers, within which the range of products available to each type of client may vary.

You can find information about the range of investment funds available to individual clients from the bank's current List of Conditions. Before purchasing each investment fund, please check the current data and also read the Prospectus, available through the website of each issuer:

- VIG Fund Management Ltd.
- Allianz Global Investors
- BlackRock
- BNP Paribas Asset Management (Parvest funds)
- MBH Asset Management Ltd.
- Hold Fund Management Ltd.
- Apelso Asset Management Ltd.
- Europe Fund Management Ltd.
- Fidelity Worldwide Investment
- Franklin Templeton Investments
- Generali Asset Management Ltd.
- J.P.Morgan Asset Management
- OTP Fund Management Ltd.
- Amundi Fund Management Ltd.
- Amundi Asset Management
- Schroders Investment Management Ltd

We recommend the website of the Association of Hungarian Investment Fund and Asset Management Companies (BAMOSZ), which provides more detailed information about investment funds: https://www.bamosz.hu/en/
More information about the investment funds distributed by the Bank is available on our website:
https://www.unicreditbank.hu/en/individual/saving/investment_fund.html
https://www.unicreditbank.hu/en/private_banking/invest/fund.html paths.

STRUCTURED PRODUCTS

Definition
A structured product is a combination of different financial products. Structured investment instruments are products for which the return and/or repayment is usually not predetermined but is dependent on certain future events. In addition, such investment instruments may be structured in such a way that they can be recalled by the issuer within a short period of time if the product reaches the target value; in such cases, the process may take place automatically.

Risks
The purchase of structured investment instruments should be recommended only to investors who are buying on the basis of the advice of financial institutions or other professional investors and are therefore in a position to understand the risks involved in investing in such instruments.

Please read the product Prospectus carefully before making any investment decisions.

FX Premium Savings

The FX Premium Savings transaction is a market-indexed transaction available to the clientele defined by the Bank, i.e. it is a structured financial instrument with the possibility of achieving a higher transaction interest rate compared to a simple deposit. The Bank subscribes the FX Premium Savings individually for each client, in accordance with the current market environment. In exchange for the higher interest rate, the client must issue a foreign currency option, which is only exercised if certain conditions are met (e.g. the appropriate development of a known and verifiable market index, e.g. EUR/HUF, USD/HUF interbank exchange rate, etc. at maturity). In the event of a drawdown, the client has a conversion obligation at a pre-fixed exchange rate, so at maturity the deposited principal amount is credited in the other currency of the reference currency pair instead of the original currency. On the other side of the options transaction, the Bank acts as the buyer and acquires a conversion right, which it may exercise against the client if the conditions are met. The investment cannot be withdrawn/sold before maturity.

Please read the product Prospectus carefully before making any investment decisions.

Certificates

Definition
The word certificate means a document certifying that the holder of the certificate is entitled to a claim embodied in the security created by the issuing bank. By purchasing the certificate, the investor acquires the right to enforce a monetary or other claim against the issuing bank at the due date (occurrence of an event or condition, or at maturity or at periodic maturity) depending on the value of a predetermined underlying product ("Underlying Asset").

Return on investment
Certificates can be issued for a wide range of Underlying Assets, such as stocks, indices, and commodities. The value of a certificate depends on the changes in the price of the relevant Underlying Asset. A wide variety of investment strategies can be implemented through the certificates and, depending on the type of certificate, they allow investors to profit from the price changes of several shares or different Underlying Assets at the same time. It is important to emphasize that certificates do not directly provide dividends or interest-like income, unlike Underlying Assets that have such characteristics.

Risks
The price movements of the Underlying Asset affect the value of the certificates. If the price of the Underlying Asset of the given certificate is unfavourable, the investor may lose part or all of the invested principal amount.
The purchaser of the certificate becomes the issuer's creditor, thus facing counterparty risk, i.e. in the event of the issuer's bankruptcy, the payment of the certificate may also be jeopardized.
Certificates may carry foreign exchange risk if they are not based on an Underlying Asset denominated in a domestic currency (HUF).
The certificate is affected by market conditions during the term, meaning capital and yield losses are possible.
If the certificate is redeemed before maturity, this carries a reinvestment risk, as there may be no comparable investment available at the time that would result in a similar payment.
According to the Base Prospectus in the case of certain certificates, the issuer quotes a so-called secondary market price for the products "under normal market conditions". This market making may not be ensured in certain special circumstances.

Certificates are structured securities that are risky types of asset investments. The certificate is a payment obligation of its issuer, and its yield is usually dependent on the performance of a basket of underlying asset(s) (e.g. stocks, indices, commodities, or foreign currency; hereinafter referred to as the "Underlying Asset").

Investing in a certificate involves a high level of risk, with the main risks detailed below.

However, we would like to draw attention to the fact that risk factors can also have a cumulative effect that cannot be foreseen, and the effect of different combinations of different risk factors on certificates cannot be predicted.

Market risk:

The reference price movements of the Underlying Asset affect the value of the certificates. If the price of the Underlying Asset of the given certificate is unfavourable, the investor may lose part or all of the invested principal amount. In other words, prospective investors must also be prepared to lose the full value of the certificates invested at the time of purchase. The price movements of the certificate do not necessarily correspond to the price movements of the Underlying Asset, and the certificate may react more or less strongly to changes in the price of the Underlying Asset, which depends on a number of factors (e.g. volatility of the Underlying Asset, interest rates, dividends).

Investing in certificates does not constitute a direct investment in the Underlying Asset and does not create any legal or payment interest or ownership relating to the Underlying Asset.

Past performance is not a guarantee of future performance, and prices can move in both positive and negative directions.

Risk of capital loss:

As the certificate only repays the amount of the invested capital if certain conditions are met, the investor may receive less than the amount invested.

If the certificate is sold before maturity, the capital or part of the potential yield may be lost.

The certificate entails the same risks for the investor as direct investments in stock markets (such as potential loss of capital, loss of capital, and potential returns).

Redemption risk/reinvestment risk:

If the reference value of the Underlying Asset at the time of observation is equal to or above the pre-defined threshold, the certificate will be redeemed, in which case the maximum redemption price shall be the pre-determined redemption value for the observation dates. Redemption also carries the risk of reinvestment, as there may be no similar investment available at that time that would result in a similar payout.

Credit risk:

Investors are exposed to the credit risk of the Issuer, both in terms of principal and interest payments over the entire term of the certificate, and any payment made to the certificates is subject to the solvency of the Issuer.

A credit rating does not constitute a recommendation to buy, sell, or hold securities and may be reviewed or revoked at any time. The certificate represents a contractual obligation on behalf of the Issuer and, unless otherwise stated in the Final Terms, is not evaluated by any rating agency. The interest is paid by the Issuer and is subject to the Issuer's credit risk.

In each case, the funds from the issuance of certificates serve as a general source of funds for the Issuer, which may use them to maintain options, futures positions, and other hedging instruments.

The certificates are the Issuer's direct unsecured liabilities, and they fall into the same category as the other existing or future direct unsecured liabilities in the creditors' hierarchy, according to the applicable German legislation. In the event of the Issuer's insolvency, the holders of the certificates will be placed in the same group as the Issuer's general unsecured creditors, and certain other creditors will be in a more advantageous position in the priority order.

Liquidity risk:

The development of the secondary market price of the certificate depends on the combined effect of several factors (e.g. volatility of the Underlying Asset, changes in interest rates, possible dividend payment on the Underlying Asset) and therefore cannot be estimated in advance or may differ from the price development of the Underlying Asset. There is no guarantee that the capital will be repaid even if the Underlying Asset performs positively upon redemption before maturity.

The Issuer and/or the Distributor shall endeavour (but is not obliged) to ensure the secondary market for the certificates on a daily basis under normal market conditions. The Issuer and/or the Distributor may repurchase the certificates before maturity, but in such a case, investors must be prepared for the fact that they may receive significantly less (even zero) than the original acquisition price for the certificate.

The investor should be aware of (i) sudden significant price drops, which are highly likely especially at the observation dates, and (ii) early sales may take place at the current market price, which may result in a loss of capital.

Foreign exchange risk:

Investments in certificates denominated in non-local currencies may be affected by the risk of currency fluctuations, which may result in a loss of capital calculated in the investor's base currency.

Risk arising from a conflict of interest:

Some members of the UniCredit Group can play a role in relation to certificates in several ways, and each member may have a conflict of interest due to their function in the course of their activities related to the certificate, or even in the course of their usual activities. The economic interests of the UniCredit Group and its subsidiaries may conflict with the interests of the holders of the certificates in relation to each certificate, both individually and separately. In such cases, the members of the UniCredit Group shall not be obliged to avoid a conflict of interest with the holders of the certificate.

The issue price is not the same as the market value:

The issue price does not express the fair market value of the certificate and does not mean that the transactions on the market are not concluded above or below the issue price; the issue price merely reflects prevailing market conditions.

The purchase price does not reflect the intrinsic value:

Prospective investors should be aware that the purchase price of the certificate cannot fully reflect the values inherent in the certificate. There may be a difference between the purchase price of the certificate and the fair value of the certificate, which is caused by a number of different factors, including current market conditions and fees or commissions for certificates, and the provision of discounts to third parties for the distribution and structuring of certificates.

Taxation:

Neither the Issuer nor the Bank provides tax advice. Prospective investors should consult their own tax advisors about the tax implications of purchasing or holding the certificate. In the course of an investment, tax laws may differ, and changes in applicable tax laws may also have adverse consequences for the investors investing in the certificate. Investors should also be aware that Certificates may be treated differently in terms of tax conditions in the event of their transfer to another financial service provider.

Fees and other compensation:

Investors should be aware that the Issuer and its subsidiaries, as well as other third parties who may participate in the transaction, may receive remuneration or commission, or receive other compensation (cash or in kind), in connection with the subscription or sale of the certificate, in the course of hedging the certificates, and other activities in connection with the transaction, or the sellers and employees of related entities may receive fees or commissions, or receive other compensation (in cash or in kind) during the subscription of the certificates. Investors should take into account that the buying and selling prices of certificates may differ from the market price of the certificates due to fees and other considerations.

The amount of the sales fee forming part of the Distribution Commission is set out in the Final Terms and the Announcement for the given certificate, while the amount of the Distribution Commission is set out in the Announcement for the given certificate.

The detailed terms and conditions of the Certificate are set out in the Base Prospectus and the Final Terms compiled by the Issuer. This document is based on the Base Prospectus. In the event of any discrepancies or problems of interpretation, the provisions of the Base Prospectus shall prevail.

For further information on risk, read the Final Terms and its summary in English (Summary of Final Terms), available here: https://www.unicreditbank.hu/en/private_banking/invest/certificate.html. The Base Prospectus and the Final Terms are available in writing, in printed form, at the Bank's registered office (1054 Budapest, Szabadság tér 5-6.).

Please read the product Prospectus carefully before making any investment decisions.

You can find more detailed information about these products on our website: https://www.unicreditbank.hu/en/private_banking/invest/certificate.html.

UniCredit Bank Hungary Zrt.