LLOYDS BANK

COMMERCIAL BANKING

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

Name of Product: Interest Rate Swap (EU Version KID)
PRIIP Manufacturer: Lloyds Bank Corporate Markets plc ("Lloyds Bank")
Call 0203 578 0064 for more information
Website: http://www.lloydsbankcommercial.com
Competent Authority: The Financial Conduct Authority and the Prudential Regulation Authority are responsible for supervising Lloyds Bank Corporate Markets plc
Lloyds Bank is a trading name of Lloyds Bank Corporate Markets plc, which is a subsidiary of Lloyds Banking Group plc
Date of Production: 21/11/2026

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

What is this product?

Type: An Over the Counter (OTC) contract - Interest Rate Instrument
Term:
The term of the Interest Rate Swap will depend on how long you wish to protect against adverse movements in interest rates and will be agreed with you before you enter into the Product. The product is a bilateral agreement that cannot ordinarily be terminated unilaterally by either you or Lloyds Bank, unless certain events of default or other termination events occur. In this case early termination payments may apply, and the return (if any) you receive on such termination is likely to be different from the scenarios described in this document.

Objective:
The objective of this product is to manage adverse movements in interest rates that you may experience. Note that it may not provide you with complete protection against such exposures. The product achieves its objectives by Lloyds Bank agreeing the terms of an OTC contract with you under which you will pay a fixed rate of interest (Fixed Rate) on an agreed amount (Notional Amount) in return for Lloyds Bank paying you a variable rate of interest (Floating Rate) on the Notional Amount. Interest payments will be calculated over agreed periods (Calculation Periods) and paid on agreed dates (Payment Dates) until an agreed date (Termination Date).
Sample parameters and pre-agreed circumstances and conditions are set out below:

Notional Amount	GBP 10,000	Floating Rate Benchmark	SONIA
Currency	GBP	Fixed Rate	5.2500 %
Termination Date	5 Years	Calculation Periods	Quarterly

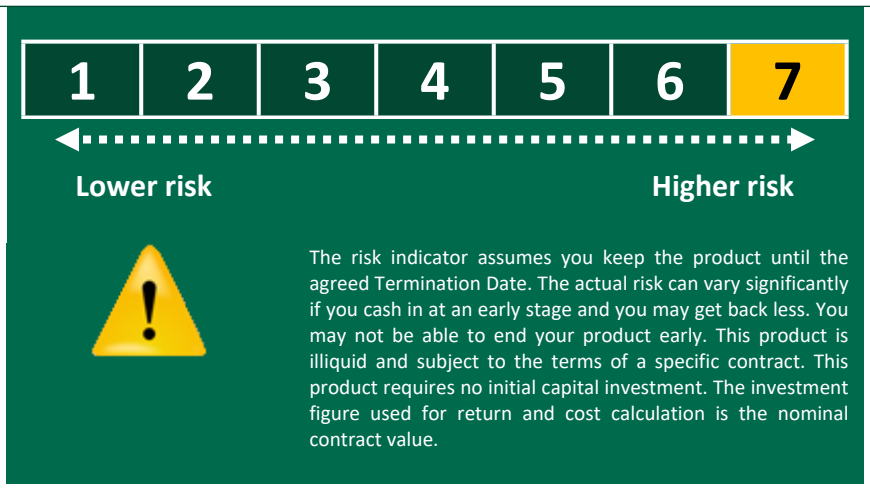
The product achieves its objectives as follows:
For each Calculation Period Lloyds Bank will compare the Fixed Rate to the Floating Rate as follows:
If, Floating Rate is above the Fixed Rate Lloyds Bank will calculate a payment due to you on the next Payment Date based on the value of the net difference between the Floating Rate and the Fixed Rate multiplied by the Notional Amount.
If, Floating Rate is below the Fixed Rate Lloyds Bank will calculate a payment due from you on the next Payment Date based on the value of the net difference between the Floating Rate and the Fixed Rate multiplied by the Notional Amount.
If, Floating Rate is equal to the Fixed Rate no payments will be made by either party.
Note that this key information document contains a worked example of the structure of the product, using a SONIA floating rate. Our proposed trade with you may be against other floating rates, but the structure of the payments due is the same.

Intended Retail Investor:
This product is intended for retail investors with a short, medium or long time horizon who:

(i) have sufficient knowledge or experience to understand complex financial products; and
(ii) have a loan and want a level of protection against adverse movements in interest rates.

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. This rates the potential losses from future performance at a very high level. **Be aware of currency risk. Where you receive payments in a different currency the final return you get depends on the exchange rate between the two currencies. This risk is not reflected in the indicator shown above.** 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 Investment**		**5 Years** **GBP 10,000** **If you terminate early after 1 year**	**If you hold until maturity date (RHP)**
Scenarios			
Minimum	There is no minimum guaranteed return. You could lose some or all of your investment or have to make further payments to cover losses.		
Stress	**What you might get back after costs**	GBP 3,527	-GBP 2,241
	Average return each year	35.27 %	-4.95 %
Unfavourable	**What you might get back after costs**	GBP 17,638	GBP 361
	Average return each year	176.38 %	0.71 %
Moderate	**What you might get back after costs**	GBP 19,464	GBP 9,127
	Average return each year	194.64 %	13.84 %
Favourable	**What you might get back after costs**	GBP 29,523	GBP 64,404
	Average return each year	295.23 %	49.36 %

The scenarios shown illustrate how your investment could perform. The scenarios presented are an estimate of future performance based on evidence from the past on how the value of this investment varies and are not an exact indicator. What you get will vary depending on how the market performs and how long you keep the investment/product. The figures shown include all the costs of the product itself. The figures do not take into account your personal tax situation, which may also affect how much you get back. The stress scenario shows what you might get back in extreme market circumstances. This product cannot be easily ended. This means it is difficult to estimate how much you would get if you end before the recommended holding period. You will either be unable to end early or you will have to pay high costs or make a large loss if you do so.

What happens if Lloyds Bank Corporate Markets plc is unable to pay out?

You may be exposed to a risk that Lloyds Bank might be unable to fulfil its obligations in respect of the Interest Rate Swap. The product is not protected by any local investor compensation or guarantee scheme. This means that if Lloyds Bank is unable to pay out, you may not receive any amount from Lloyds Bank under the product.

What are the costs?

Costs over time:

The person selling you this product may charge you other costs. If so, this person will provide you with information about these costs, and show you the impact that all costs will have on your investment 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 and how long you hold the product. The amounts shown here are illustrations based on an example investment amount and different possible investment periods.

We have assumed:

- In the first year you would get back the amount that you invested (0 % annual return). For the other holding periods we have assumed the product performs as shown in the moderate scenario
- GBP 10,000 is invested.

	If you hold until maturity date (RHP)
Total costs	GBP 270
Annual cost impact (*)	0.76 % each year

(*) This illustrates how costs reduce your return 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 17.11 % before costs and 16.35 % after costs.

Composition of costs:

One-off costs upon entry or exit		If you hold until maturity date (RHP)
Entry costs	The impact of the costs you pay when entering your investment. These costs are included in the price you pay. This is the most you will pay, and you could pay less.	GBP 270
Exit costs	We do not charge an exit fee for this product when it matures.	GBP 0
Ongoing costs		
Management fees and other administrative or operating costs	We do not charge management fees and other administrative and operating costs for this product.	GBP 0
Transaction costs	We do not charge transaction costs for this product.	GBP 0
Incidental costs taken under specific conditions		
Performance fees	We do not charge performance fees for this product.	GBP 0

How long should I hold it and can I take it out early?

Recommended holding period: This product is designed to be held to the Agreed Expiry Date. It is a product designed to be entered into for its term and cannot be easily sold. Early termination may occur if certain events of default or other termination events occur, in which case early termination payments may apply.

Early exit impact: If the product is terminated early, in whole or in part, an Early Termination Payment may become payable by either you or Lloyds Bank. The Early Termination Payment is linked to market parameters and settlement on early termination will be specific to your Interest Rate Swap. It will be influenced by a number of factors which include but are not limited to: whether it is an increasing or decreasing interest rate environment; the movement of the interest rates since the transaction Trade Date; the amount affected by the early termination.

The Early Termination Payment is not a penalty charge. The sum represents the economic value of what Lloyds Bank would have paid if the product continued as agreed.

How can I complain?

Contact us

Should you have any complaints about the product, the conduct of Lloyds Bank and/or the person selling the product, please follow the below steps:

- Include the following information so we can resolve your complaint as quickly as possible: as much information as possible about your complaint; any actions you wish us to take to resolve your complaint;
- Contact your Relationship Manager
- Call us on **0800 072 3572** or **+441733 462 267**
- Contact us online at http://commercialbanking.lloydsbank.com/contact-us/; or
- Write to us at **Lloyds Banking Group, Customer Services, BX1 1LT**

Other Relevant Information

Additional relevant information may be set out in the confirmation, as supplemented and amended by the applicable definitions and the master agreement terms. These are available upon request from your Lloyds Bank representative. Information about your relationship with us can be found at http://www.lloydsbankcommercial.com.