

Prémiový dluhopis RESPONSIBLE 2

ISIN: AT0000A2KLF1

Overview

Date: 2024/04/23 10:05:00

Bid	Ask
95.22	-
Difference	0.21% (0.20)

General attributes

Type of bond	Structured bonds and notes
Bond style	senior
Issuer type	financial institution
Country of issue	AT
Current coupon	-
Coupon style	variable
Coupon payment date	2025/11/26
Coupon payment period	at maturity
Value date	2020/10/19
Maturity	2025/11/26
Repayment value	100.00
Currency	CZK
Nominal value	10,000
Accrued Interest	-
Investor tolerance	1 (scale 1-7)



The chart is composed of values which are the arithmetic average values of bid / ask (MID) from previous working day. Performances under 12 month have only little informative value. Information about previous performance does not guarantee future performance.

Source: Česká spořitelna, a. s.

+ Advantages

- Interesting yield potential of up to 40% for its duration.
- 50% participation in the regularly observed trend of the broadly diversified underlying asset – Solactive ERSTE Green Invest Index VC index.
- Regular observation of the underlying asset. The resulting yield is calculated as 50% participation from the average annual fixed values of the observed underlying assets.
- Even with a fall in the underlying

! Details you should be aware of

Please note that the target market of this investment instrument is listed below. If you do not meet any of the listed parameters, you may be outside the specified target market!

The target market defines the set of investors (retail clients) for whom the investment product is intended.

This investment product is intended for investors who:

- have sufficient knowledge and/or

- asset a minimum of 100% of the nominal value (see Note) of PD RESPONSIBLE 2 is always paid out at maturity thanks to the guarantee.
- Quick availability of funds. Under standard market conditions you can sell PD RESPONSIBLE 2 on the market through Česká spořitelna at any time before maturity at the market price stated in the Exchange Rate List of Česká spořitelna. However in such case the price can fluctuate even below 100% of its nominal value. The guarantee of 100% payout of its nominal value (see Note) is related to a payout at maturity.
 - PD RESPONSIBLE 2 is issued in Czech crowns, the investor does not bear the exchange rate risk.
 - Electronic version of the Prospectus is published on the Issuer's website www.erstegroup.com or on www.investicnicentrum.cz/prospekty.
 - The Notification can be found on the author's website www.erstegroup.com, on Česká spořitelna investment portal www.investicnicentrum.cz.
- experience regarding bonds.
- seek investment profit
 - are able to accept a level of risk that is in accordance with the risk indicator of the product specified in General attributes.
 - In the event of an unfavorable development of the investment, they are able to bear the possible loss, which is illustrated by performance scenarios, see Key Information Document (KID).
 - are interested in holding the product until the maturity specified in General attributes.

This product is not intended for investors (negative product target market) who are unable to bear the possible loss of invested funds in the event of an unfavorable development of the investment. The client's compatibility with the product's target market will be evaluated during the purchase process.

The guarantee does not apply in a situation when the issuer fails or you sell the Premium Bond before its maturity.

- The holder of PD RESPONSIBLE 2 bears the issuer's credit risk.
- Formula for calculating the value at maturity: 100% of the nominal value of PD RESPONSIBLE 2 + 50% participation × (average value of 5 observations of the underlying asset / initial value – 1), minimum 100%, maximum 140%

For more information, please see the leaflet.

Description

Every rationally thinking person seeks ways of how to get the most effective return on his money. For many it is then important to know in advance what the trend of an investment could be, and above all its yield potential and the market risk undertaken. If these parameters are also important to you then you could be interested in investing in Prémiový dluhopis RESPONSIBLE 2 (PD RESPONSIBLE 2). The five-year PD RESPONSIBLE 2 is designed for clients who do not require regular yield payouts, but prefer the growth of their investment depending on the trend of capital markets.

An interesting yield potential of up to 40% in five years with a return of at least 100% of the nominal value (see Note) of PD RESPONSIBLE 2 at its maturity date.

ESG is also a key "investment theme" for Prémiový dluhopis RESPONSIBLE 2. Its yield depends on the trend of the global Solactive ERSTE Green Invest Index VC index, which is diversified into six underlying assets – ESG stocks (USA, Europe, Japan, Emerging Markets) with a weight of 60% of the portfolio, and ESG bonds (corporate and corporate high yield bonds) accounting for 40% of the portfolio. Individual assets in the index portfolio are represented by ETF (exchange traded funds) iShares from the reputable company BlackRock. So the portfolio is robustly diversified into thousands of the companies stocks and bonds, which meet strict ESG criteria of the MSCI SRI (Socially Responsible

Investment) indices. The control of portfolio volatility stabilises the yield and limits losses during falls on markets when the set algorithm targets volatility at 7% and compares it with the historical volatility of the monitored portfolio. During high volatility this mechanism reduces the exposure to dynamic assets and moves funds to the money market.

- Issuer: Erste Group Bank AG (S&P's A / Moody's A2 / Fitch A)
- Underlying asset: Solactive ERSTE Green Invest Index VC

For more information, please see the leaflet.

Payment notes

How does the Prémiový dluhopis RESPONSIBLE 2 work?

- The yield of the five-year PD RESPONSIBLE 2 depends on the development of the global Solactive ERSTE Green Invest Index VC index.
- The initial value of the underlying asset shall be fixed on 19 November 2020.
- The underlying asset is observed annually. Every year its value is recorded on the observation date.
- The average value of the underlying asset is calculated from these 5 values obtained during observation. This is compared with its initial value.
- The total amount of the payout at maturity is calculated: 100% of the nominal value of PD RESPONSIBLE 2 + participation of 50% × (average value of 5 observations of the underlying asset/initial value – 1).
- Even with a fall in the underlying asset a minimum of 100% of the nominal value (see Note) of PD RESPONSIBLE 2 is always paid out at maturity thanks to the guarantee.
- In the duration of PD RESPONSIBLE 2 its price may fall even below 100% of its nominal value with regard to the trend in the underlying asset and market conditions.
- The maximum amount of premium is fixed at 40% of the nominal value of the Premium Bond for the duration of PD RESPONSIBLE 2, i.e. for 5 years.
- The regular annual observation and averaging of the obtained index values provides partial protection for investors from any possible sharp fall of prices of the monitored underlying asset just before maturity. The total yield does not just depend on the closing value of the observed underlying asset, but on the continuous value of the underlying asset for the entire duration of PD RESPONSIBLE 2. However regular observations can also decrease the resulting yield (for example, if there is a growth of the underlying asset just before maturity).

Examples of scenarios at maturity – please see the leaflet

Settlement

- The maturity of the Premium bond shall be on 26 November 2025
- The disbursement of the yield and nominal value shall be conducted Česká spořitelna
- Liquidity: daily according to current market prices in the Exchange Rate List of Česká spořitelna, a.s.
- It takes three working days to settle the buying and selling of the Premium Bond

Secondary market

- Minimum purchased amount: 1 piece

- Selling price: 100%, without a fee
- This premium bond can only be sold on the market, the price the client sells listed in the exchange rate list is only indicative.
- The price for procuring the sale is determined by the valid price list, it currently amounts to a maximum of 0.5% of the trade volume.

Note: The payout of the guaranteed amount depends on the issuer and guarantor being able to meet their guarantee commitments.

Note2: The product risk weight is rated on a scale from 1 to 7 from the potentially lower risk and yield 1 to the potentially higher risk and yield 7, provided that you keep the product until the maturity date. The real risk may significantly differ in case you sell the product prematurely. The product risk weight is a guide for a comparison of the risk rate of this product compared with others. It shows how likely it is that you will lose money as a consequence of a movement on the markets or because the issuer will not be able to pay out the money.

Note3: You will find the exact expression of product costs in PD RESPONSIBLE 2 Subscription Instruction

Disclaimer

In the period before maturity, the bond price can fluctuate above and below the bond face value depending on the development of the interest rate and underlying asset. A bond can be sold even before the maturity date, for the price pursuant to the pricelist of the issuer. Our consultants will give you detail information on the advantages and risks of investment in bonds. The information sources used are generally regarded as reliable, although Česká spořitelna and Erste Group Bank AG cannot guarantee the correctness and completeness of the information contained therein. The aim of this web page is to give information on the services and products contained therein; it is not a binding proposal establishing any rights and obligations for participants. All information you can find here is of informative nature only. Before using the web page for investment, a specialized Česká spořitelna consultant should be consulted.