

# ČSOB Wealth Office II.

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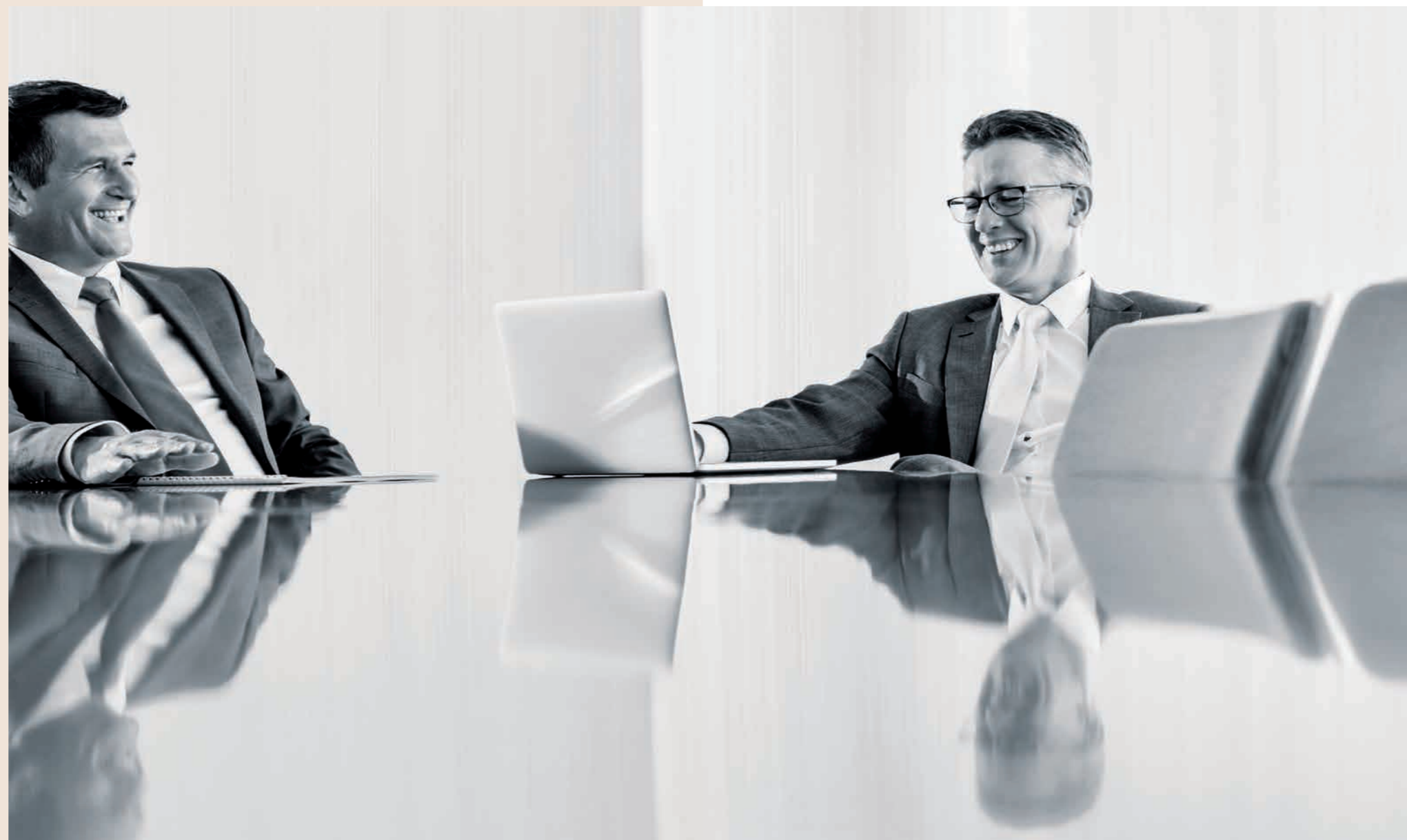
ČSOB Private Banking



# Investment is a sign of trust

It doesn't matter if you invest your time, money or emotions. To invest is to entrust something that belongs to you to someone else. In the hope that your investment will increase in value. Confident you can get something valuable. Knowing you are doing the right thing.

## ČSOB Wealth Office II.



We've prepared a new investment fund that requires not only your trust but also ours. The commission we pay ourselves also depends on how the fund performs. Therefore, we compare its performance with an established benchmark. In managing your portfolio, we bring you the best of the investment world, but above all, a solid and honest approach.



## Martin Horák Portfolio Manager, ČSOB Asset Management

“The investment world may seem harsh and cold, but keeping a cool head and sharp instincts pays off most when managing a portfolio. At ČSOB, we do not rely on chance or luck; we base our decisions on expert analyses and respect your investment objectives. With more than 20 years of experience, I know that this is the path to long-term success.”

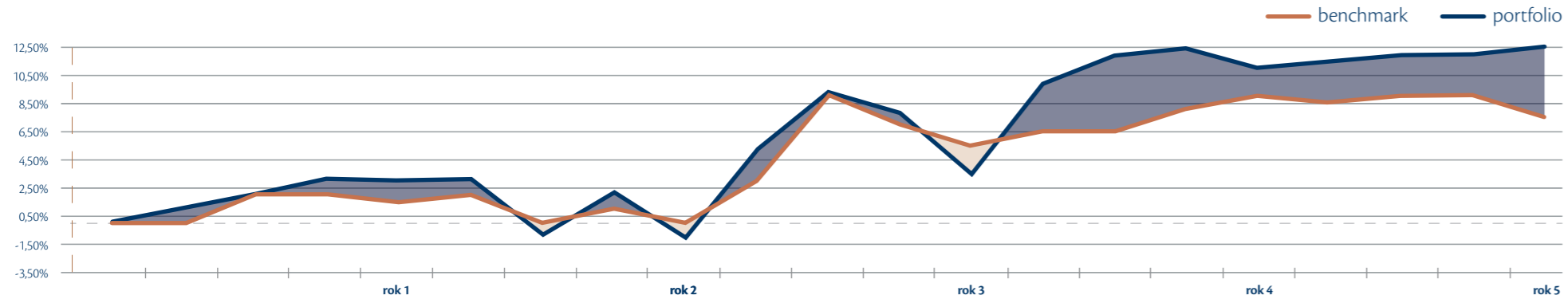
## Main Advantages

- Flexible investment strategy and expanded range of investment options.
- Payment of performance fee based on actual results.
- The fund's administrative burden, including taxes, is kept to a minimum.
- Your investment is monitored by a number of control mechanisms of the depositary, auditor and Risk & Compliance specialists.
- Broad analytical background of the entire ČSOB/KBC Group and detailed reporting available.



# Performance Fee – Model Example

Calculated on the income of the Wealth Office II strategy at the DAM portfolio level for 12 months of the relevant calendar year, after deducting the benchmark income (harmonised index of consumer prices excluding tobacco products CPXTCZ\* + 0.5% for the first 11 calendar months of the current year and the last month of the previous year). When calculating the performance fee, the high-water mark principle is always used.



The performance fee will be charged to the client after the end of the calendar year if the strategy's excess income (the basis for calculating the income fee)\*\* in the past calendar year exceeded the maximum strategy's excess income\*\* reached the last time the income fee was paid. In this case, the fee will be charged as the difference between the two values.

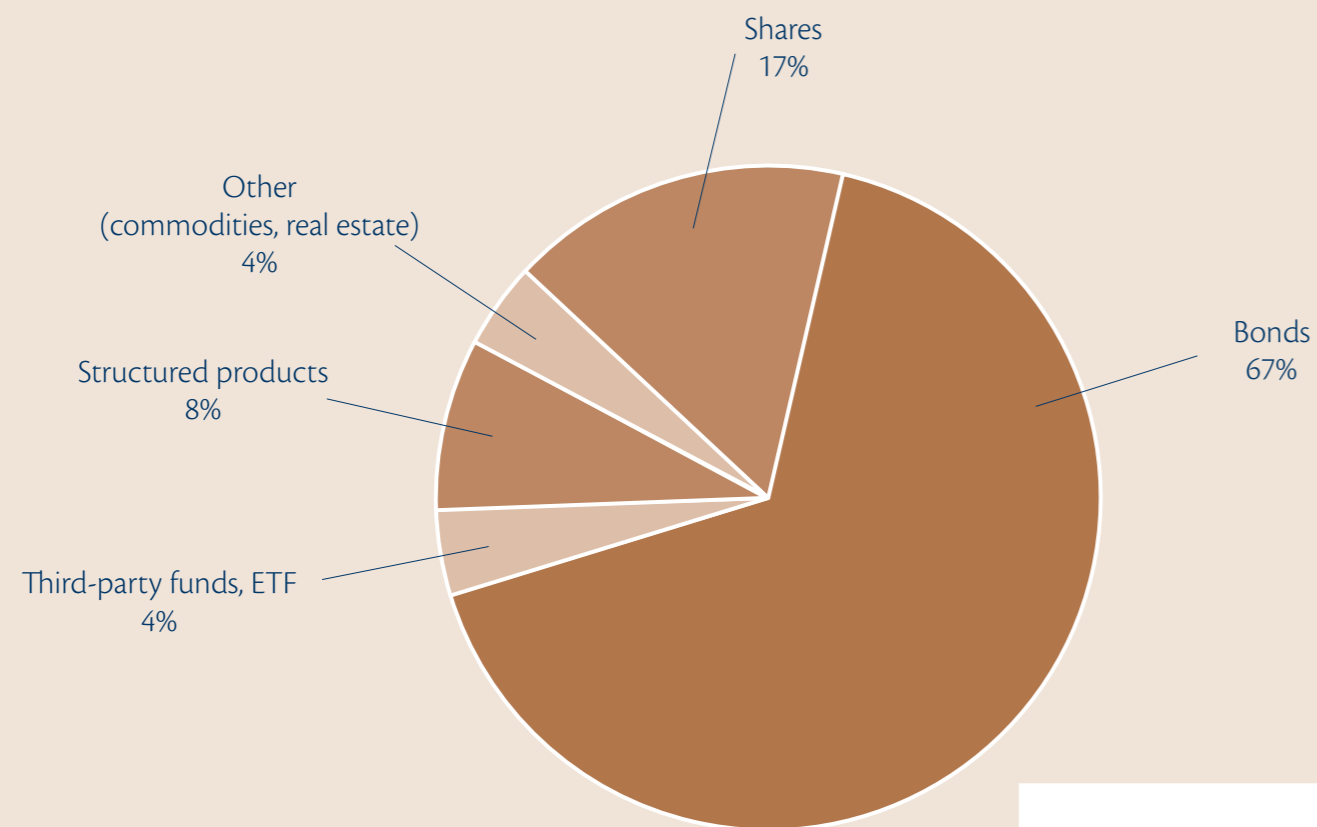
\* CPXTCZ is the index ticker of the Bloomberg agency. \*\* Absolute income of the strategy minus the absolute benchmark income for the given period.

High-water mark = the highest value reached the last time the performance fee was paid. DAM = Discretionary Asset Management (portfolio management according to the strategy).

Strategy	year 1	year 2	year 3	year 4	year 5
Performance minus benchmark	1,5%	-1%	-2%	2%	5%
Entitled to performance fee	YES	NO	NO	YES	YES
High-water mark after the end of the year	1,5%	1,5%	1,5%	2%	5%
Basis for calculating performance fee	1,5%	0	0	0,5%	3%
Amount of performance fee (the rate of income fee is 20%)	0,3%	0	0	0,1%	0,6%



# Neutral Fund Composition



	Portfolio breakdown
Shares	0–40%
Bonds	60–100%
Third-party funds, ETF	0–10%; unsecured funds
Structured products	0–20% / 5% per product
Other (commodities, real estate)	0–10%

At least 60% of the portfolio is currency-hedged.

The actual form of the portfolio may vary significantly over the long-term depending on the values specified in the portfolio limits.

## Fees

Entry fees*	0%
Exit fees	0,3% (to be credited to the fund to cover costs)

Information on the total costs can be found in a separate document at <https://www.csobpb.cz/portal/wealth-office/investice2> under Documents.

\* The distributor fee for the procurement. The manager's entry markup is zero.

## Parameters

Type	Special mixed fund
Fund established on	29 June 2018
Minimum investment	CZK 10,000,000 for first deposit (CZK 1,000,000 for subsequent purchases)
Fund domicile	Czech Republic
Currency	CZK
Value of share	Calculated at least once a month
Availability	You can redeem your share in the fund at the current value on the trading day (please contact your Wealth Office banker for information on trading days). The funds will be available in seven business days from the specified trading day.



## Risk Notice

The value of the investment and the income may fluctuate during the investment period. Therefore, we cannot guarantee a return on your investment. Significant risks of this fund you should be aware of include:

■ **Market Risk**

The risks you as the investor are exposed to are mainly associated with the variations in the value of the shares and bonds, changes in the interest rates, and the development of the prices on the markets in alternative investments (e.g., commodities, real estate). The value of the securities the fund invests in may fluctuate significantly.

■ **Interest Rate Risk**

Risk of changes in the interest rates. This is a particular component of market risk. Changes in market interest rates may result, among other things, from changes in the economic situation or in policy responding to the situation adopted by the relevant central bank.

■ **Currency Risk**

The fund may invest in securities that are denominated in currencies other than the fund currency. The value of the investment is, therefore, likely to be affected by exchange rate fluctuations. We mitigate this risk by hedging the fund with currency derivatives (most commonly forwards and swaps). However, if the manager deems it appropriate in light of the financial market situation, the currency risk may not be hedged.

■ **Credit Risk**

The risk is that the issuer or counterparty (usually the bond issuer) fails to meet its obligation to pay the agreed interest or principal. Despite the investment instruments being selected with the utmost care, a loss caused by this default of the issuers of the investment instruments cannot be excluded.

■ **Risk of Insufficient Liquidity**

The risk represents a situation in which an asset cannot be sold at the required time, or a reasonable price cannot be obtained for the asset at that time.

■ **Risk of Structured Instruments**

This risk results from the nature of individual products. It is mainly reflected in lower liquidity and potentially uneven reactions or jumps responding to the market development.

The fund may invest in investment securities, money-market instruments, securities issued by the collective investment fund, deposits, financial derivatives, liquid assets and other instruments.

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Information for clients: the document INVESTMENT INSTRUMENTS AND INVESTMENT-RELATED RISKS with a detailed description of the most common investment instruments, their practical use, and associated risks is available on the ČSOB AM website [www.csobam.cz/dokumenty](http://www.csobam.cz/dokumenty).

Československá obchodní banka, a.s., with its registered office at Radlická 333/150, 150 57, Praha 5, ID No.: 00001350, entered in the Commercial Register maintained by the Municipal Court in Prague, Section B XXXVI, Insert 46 (above also as "ČSOB").

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