

Key Investor Information

This document contains key information for investors in ERSTE Bond Flexible Romania EUR Open-End Investment Fund. It is not an advertising material. This information is required by law in order to explain the nature of the fund and the risks associated with investments in the fund. We advise you to read this document carefully, so you can make an informed investment decision.

ERSTE BOND FLEXIBLE ROMANIA EUR

Cod ISIN: **ROFDIN0001W9**

ERSTE Bond Flexible Romania EUR Open-End Investment Fund (the Fund) is authorized by CNVM Decision no. 371/25.04.2013 and is registered under no. CSC06FDIR/400081 with the Public Register of the Financial Supervisory Authority (the Authority).

The Fund is managed by SAI Erste Asset Management SA (SAI Erste), a member of the Austrian financial group ERSTE, a company with dual management system, share capital RON 6,000,000, registered with the Trade Register Office under no. J40/17060/2008, Single Registration Number RO24566377, authorized as asset management company by CNVM Decision no. 98/21.01.2009, registered under no. PJR05SAIR/400028 with the Authority's Public Register, Data Protection Authority Registration no. 0017716; SAI Erste is headquartered in Bucharest, 92 Aviatorilor Blvd., district 1, tel.: 0372 269 999; fax: 0372 870 995; e-mail: office@erste-am.ro; website: www.erste-am.ro.

Objectives and Investment Policy

ERSTE Bond Flexible Romania EUR Open-End Investment Fund is a bond fund, actively managed. The Fund will make investments aimed at generating returns that are higher than the benchmark set out in the Prospectus. The investment structure of the Fund may differ, substantially, from that of the benchmark, with discretionary choices regarding the composition of the portfolio.

The Fund may not invest in equities and will maintain at least 70% euro exposure (direct or hedged exposure).

The strategic allocation in terms of asset categories is 80% bonds and/or shares of UCITS and/or AIF which invest mainly in bonds and 20% other assets.

The strategic asset allocation, based on the issuer geographic location, will be 60% securities issued/offered by entities incorporated in Romania or having Romania as their main listing market, 20% securities issued/offered by governments from euro-zone and 20% other assets.

Derivative financial instruments can be used both to hedge the risk and to achieve the investment objectives of the Fund.

The selection of financial instruments takes into account the quality of the issuers, the growth potential and the associated risk.

The transaction costs reduce the potential for growth of your investment.

The fund does not distribute dividends, the gain obtained from the investments made is found in increasing the value of the shares.

This fund is not recommended to investors who wish to withdraw their money within a period of one (1) year.

The shares can be subscribed or redeemed on any business day, except December 31, at any Romanian Commercial Bank branch or at the headquarters of SAI Erste.

Risk and return profile

← Lower risk
← Generally lower yield

Higher risk →
Generally higher yield →

1	2	3	4	5	6	7
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This indicator is a measure of the increases and decreases in value recorded over the last 5 years by the value of equity securities, on a scale from 1 to 7. It reflects the relationship between the growth potential of fund share value and the risk of fund share reduction, as a result of fluctuations in the prices of the assets held in the Fund's portfolio, the potential fluctuations of the exchange rate and the interest rate.

The fund is **classified in category 3** based on the variation of the value of the fund shares, as well as the increases and decreases registered by the benchmark value, provided by the prospectus, in the last 5 years.

Past performance is not a guarantee of future results.

The Fund's risk profile is neither a target nor a guarantee and can change over the life of the Fund. Classification into the lowest risk category does not mean that the investment is risk-free.

The use of derivatives may generate market risk and credit risk and may influence the return of your investment.

The risks that are not usually included in this classification, but are relevant to the Fund:

Credit risk: it arises in connection with any kind of receivables and represents the risk of loss due to adverse changes in the creditworthiness of the counterparty or the issuer of a financial instrument, which may fail to meet their obligations (on time or in full).

Counterparty risk: the risk that the debtor does not want or is unable to fulfil, on time or in full, their obligations.

Liquidity risk: the risk that a position may not be sold, liquidated or closed at limited costs for an appropriate period of time and without significantly influencing the market price, thereby affecting the Fund's ability to meet its redemption and payment obligations.

Operational risk: the risk of loss arising from the improper nature of internal processes, human errors and deficiencies in systems or from external events and includes both legal and documentary risk and the trading, settlement and valuation procedures of the Fund's assets.

Costs

The fees you pay as investors in the Fund are used to cover the Fund's operational expenses. Payment of these fees reduces your investment's growth potential. These fees, except for subscription and redemption fees, are fully reflected in the Fund's yield.

One-time costs before and after investment (deducted from the amount transferred / redeemed):	
Subscription fee	maximum 1.50 %
Redemption fee	zero
This is the maximum you will pay upon subscription of your fund shares. Under certain circumstances of which you may be advised by the distributor/ SAI Erste, you may pay less.	
Costs that are assessed against the fund during the year:	
Operating costs (including all operating costs of the Fund)	0.97%
Operating costs are determined on the basis of 2021 fees and therefore may change from year to year. For further information on fees, please see section 3.6. Fees and other costs in the Fund's Prospectus published on www.erste-am.ro .	
Costs that are assessed against the fund under certain specific conditions:	
Performance fee	zero

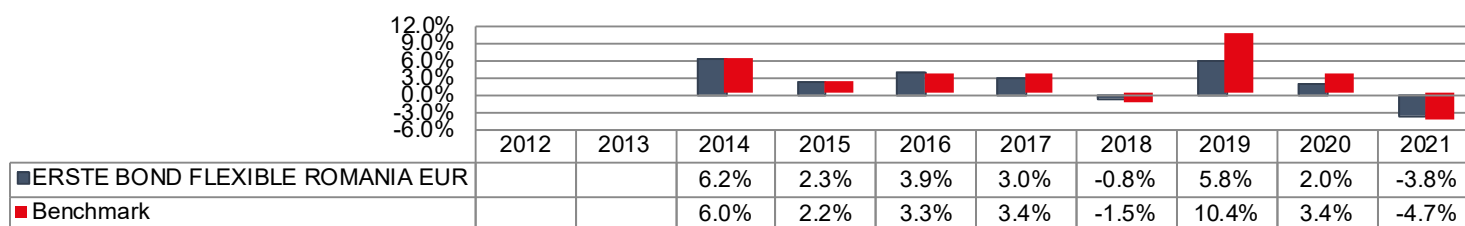
Past performance

The chart below shows the net performance of the Fund, in euro, taking into account all Fund's costs and fees.

Past performance is not a guarantee of future results.

The Fund was launched in April 2013 and is denominated in euro.

The performance until 31.12.2019 corresponds to a different investment policy than the current one.



Further information

Depository: Banca Comercială Română S.A. (BCR), a company with dual management system, headquartered in Bucharest, 159 Calea Plevnei, Business Garden Bucharest, building A, 6th Floor, district 6, registered with the Trade Register Office under no. J40/90/23.01.1991, Single Registration Number R361757. Banca Comercială Română S.A is a credit institution authorized by the National Bank of Romania, registered under no. RB-PJR-40-008/1999 with the Credit Institutions Register, authorized by CNVM Approval no. 27/04.05.2006 and registered under no. PJR10 / DEPR / 400010 with the Public Register of the Financial Supervisory Authority.

The Fund's net asset value and net asset value per share are determined and published in lei by SAI Erste on a daily basis, for each business day, in Ziarul Financiar and on www.erste-am.ro and they are also posted daily, for each business day, at the headquarters of SAI Erste and the Romanian Commercial Bank.

Additional information on the Fund, the Fund Prospectus and Rules and the annual and half-yearly reports are available free of charge in the Romanian language at the headquarters of the Romanian Commercial Bank and SAI Erste and are published on www.erste-am.ro.

Taxation of the income from fund shares depends on the tax treatment applicable to each individual investor.

SAI Erste may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the prospectus of the Fund.

SAI Erste and the Fund are authorized in Romania and are regulated and supervised by the Financial Supervisory Authority.

Remuneration Policy

The SAI Erste Remuneration Policy sets out policies and practices that are consistent with and promote sound and effective risk management and does not encourage risk-taking beyond acceptable levels. The SAI Erste Remuneration Policy is prepared in accordance with the applicable regulations and the EAM Group strategy, taking into consideration the standards observed by SAI Erste and the entities managed (i.e. collective or individual investment portfolios), in order to avoid conflicts of interest. Within the framework of performance assessment, SAI Erste will take into consideration long-term performance and will make sure that variable remuneration based on performance is awarded for a period of time which takes into consideration existing risks. Staff in control functions is compensated independent of the performance of SAI Erste.

This key investor information is accurate as of 7 February 2022