

## Key Information Document

This document provides you with the key investor information for this investment product. This document is not marketing material. The disclosure is required by law to assist you in understanding the nature, risks, costs and potential gains and losses of the product and to help you compare it with other products.

### OTP CETOP Index-Tracking UCITS ETF Fund

("Series A" Fund Units, ISIN code: HU0000734454 Currency: EUR)

<p><b>Fund Manager:</b> OTP Fund Management Ltd., a member of the OTP Group</p> <p><b>Website:</b> <a href="https://www.otpbank.hu/otpalapkezelo/hu/fooldal">https://www.otpbank.hu/otpalapkezelo/hu/fooldal</a></p> <p><b>More information:</b> <a href="mailto:levelek@otpalap.hu">levelek@otpalap.hu</a> or +36-1-412-8300 (on working days, between 8.00 a.m. and 4.00 p.m.)</p> <p><b>Document dated:</b> 26 April 2024</p> <p><b>Effective date of the document:</b> 26 April 2024</p>	<p>With regard to this Key Information Document, OTP Fund Management Ltd. is supervised by the Magyar Nemzeti Bank (the National Bank of Hungary, <a href="http://www.mnb.hu">www.mnb.hu</a>). OTP Fund Management Ltd. is an investment fund management company authorised in Hungary and supervised by the Magyar Nemzeti Bank. The Fund is a fund harmonised under UCITS Directive (UCITS), authorised in Hungary and supervised by the Magyar Nemzeti Bank.</p>
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#### **NB!** you are about to buy a product that is complex and may be difficult to understand

The Fund is offered to clients with medium-high risk tolerance, as part of a multi-asset investment portfolio, to achieve medium-term financial goals. This Fund may not be suitable for investors who want to withdraw their money from the Fund within 5 years

#### What product is it?

**Type of Fund:** public, open-ended investment fund harmonised under the UCITS Directive.

**Expiry:** the fund is established for an indefinite period. The decision to initiate termination proceedings against the Fund is taken by the Fund Manager or the Supervisory Authority. It is obligatory to initiate proceedings in the cases listed in Article 75 (2) a-e of the Kbtv.

**LEI code:** 8755005EXZX51W7LH003

**The Custodian of the Fund is** Unicredit Bank Zrt.

**Benchmark Index:** 100% CETOP NTR Index (ISIN: HU0009294161, detailed description of the index is available on the BSE website (<https://www.bet.hu/Befektetok/Indexek/CETOP>)). The Fund is an index tracker, which aims to track the CETOP NTR Index as closely as possible, by tracking the chosen index through physical replication. The Fund does not pay any return on capital gains, the entire capital gains are reinvested. The return is measured by the change in the net asset value of the units. The return of the Fund is largely dependent on the performance of the underlying Benchmark Index and is in line with its movements.

**Investment Objectives:** The Fund is an index-tracking fund, which aims to track the performance of the CETOP NTR Index and to match its return as closely as possible. To this end, the Manager aims to keep the level of fees and transaction costs charged to the Fund low. The Fund is a passively managed fund. The Fund Manager has 100% discretion over the overall asset allocation of the Fund, provided that the weightings of individual equities may differ from the ratio resulting from the CETOP NTR Index portfolio mapping to the following extent. The deviation may not exceed 0.5 percentage points per security for securities with a weighting of less than 5% in the CETOP Index, 1 percentage point per security for securities with a weighting of between 5% and 10% and 1.5 percentage points per security for securities with a weighting of more than 10%.

The CETOP NTR index is unleveraged and the Fund does not aim to outperform the index by leveraging. However, due to the nature of the index as a net total return index, where dividend payments are reinvested in the instrument concerned, keeping tracking error within the limits of the assumed limits may require the use of efficient portfolio management techniques, which may result in the creation of leverage for a short period of time, typically a few trading days from the ex-dividend date (the first trading day without a dividend coupon) to the actual dividend payment date, up to a maximum of 120% of the net asset value of the fund. The cost of leverage is considered negligible and is estimated by the fund manager at a few basis points per annum. Given that in these situations the Fund is on the funded side, the Fund Manager considers that the creation of leverage does not entail significant additional counterparty risk.

The investments underlying this financial product do not take into account EU criteria for environmentally sustainable economic activities. The Fund Manager integrates sustainability risks and their management into the Fund's investment decision-making processes and the Fund complies with Article 6 of the SFDR Regulation. The Fund does not aim to promote environmental and/or social characteristics (not covered by Article 8(1) of the SFDR Regulation) or to invest sustainably (not covered by Article 9(1), (2) or (3) of the SFDR Regulation).

**The main categories of eligible financial instruments that are the object of investment:** government and government guaranteed securities, bank deposits, repurchase and reverse repurchase agreements, money market instruments, equities.

**Target retail investor:** The Fund is intended for retail investors who wish to hold the product for the proposed investment period, are able to bear possible losses due to stock market movements (loss tolerance is high) during or at the end of the agreed period, have a medium-high risk tolerance and have significant knowledge and/or experience of this or similar products. The Fund Units issued by the Fund can be purchased in Hungary by resident and non-resident natural and legal persons – except US citizens – provided that they comply with the rules defined in the terms and conditions of the offering.

Pursuant to legal obligations, this document, the Fund's Prospectus and Management Regulations, as well as the reports for regular information purposes, the Extraordinary Announcements and the Fund's notices and information on distributions to Investors are published in Hungarian free of charge on the Fund's website, on the Fund's product page ([https://www.otpbank.hu/otpalapkezelo/hu/A\\_CETOP ETF](https://www.otpbank.hu/otpalapkezelo/hu/A_CETOP ETF)) under the Downloads menu and on the Announcements menu (<https://www.otpbank.hu/otpalapkezelo/hu/Aktualis/Kozlemenyek/2024>).

**Trade in the Fund Units:** The Fund's units are continuously distributed. You may redeem your Units during the continuous distribution period before the end of the recommended investment period, subject to the conditions set out in the current Announcement and the Fund Management Regulations published by each Distributor. Fund units can be purchased and redeemed on any trading day during the business hours of points of sale. In the case of purchase or redemption of units, the distribution settlement day is the third distribution day following the day of contracting (T+3 day settlement).

Units of the Fund are available under both the Primary and Secondary Distributions. The details, access limits and options are set out in the Management Regulations (sections 41.1 and 42.1).

### What are the risks of the product and what can I get in return?



The risk indicator assumes that you will hold the product for 5 years

The aggregate risk indicator provides guidance on the risk level of the Fund relative to other products. It shows the probability that the Fund will suffer a financial loss due to market movements or because of the inability of OTP Fund Management Ltd. to pay due to insolvency. This product is classified as 5 out of 7 classes, which is a medium-high risk class. This indicator classifies the potential losses from future performance as medium-high. Poor market conditions may affect OTP Fund Management Ltd's ability to pay you. For a detailed description of the risks of the Fund, see Chapter 26 of the Management Regulations. The actual risk may vary significantly if you sell your units before the recommended investment period has expired and you may receive a smaller amount back. The Fund's Fund Units are denominated in a currency other than the official currency of the Member State in which they are offered, thus the return expressed in the official currency of the Member State in which they are offered may differ depending on exchange rate fluctuations. This risk is not taken into account in the indicator above.

Investors should note that the Fund's past performance is no guarantee of future performance. The risk category indicated may not necessarily remain unchanged and may change over time. Even the lowest category is not a completely risk-free investment.

This product does not include any protection against future market performance and you may lose part or all of your investment in extreme cases

### Performance scenarios:

This table shows how much you can get back after 1 year or after the recommended holding period, assuming you invest €10,000.

Scenarios		1 year	5 years (recommended retention period)
<b>Stress scenario</b>	This is the amount you will get back after deduction of costs (EUR)	9,164	5,820
	Average annual return	-8.36%	-41.80%
<b>Unfavourable scenario</b> <i>This scenario type refers to an investment made between 10/2017 and 09/2022</i>	This is the amount you will get back after deduction of costs (EUR)	9,351	6,754
	Average annual return	-6.49%	-32.46%
<b>Moderate scenario</b> <i>This scenario type refers to an investment made between 04/2014 and 06/2023</i>	This is the amount you will get back after deduction of costs (EUR)	10,160	10,798
	Average annual return	1.60%	7.98%
<b>Favourable scenario</b> <i>This scenario type refers to an investment made between 10/2016 and 09/2021</i>	This is the amount you will get back after deduction of costs (EUR)	10,802	14,009
	Average annual return	8.02%	40.09%

The Fund does not have a minimum guaranteed return and you may lose some or all of your investment. The scenarios above show how your investment could perform. You can compare this with scenarios for other products. The scenarios presented are estimates of the future performance of your investment based on past events and are not intended to be an accurate indicator. The amount you get back will vary depending on the performance of the markets and how long you hold the product. The stress scenario shows the amount you may get back in extreme market conditions and does not take into account the event that the issuer of the product is unable to pay. The adverse, moderate and favourable scenarios shown are illustrations using the worst, average and best performance of the Fund over the last 10 years. Future market developments may vary widely. The above figures include all of the product's own charges, but do not include any charges you pay to your adviser or distributor. The above figures do not take into account your personal tax circumstances, which may also affect the amount you receive back.

### What happens if the OTP Fund Management Ltd. cannot pay?

The fund is a special pool of assets that is separate from the assets of the company managing the fund. Therefore, there is no default risk associated with the management company (e.g. if it becomes insolvent). In Hungary, fund managers operate under a strict capital adequacy regime. Nevertheless, if OTP Fund Management Ltd. were to become insolvent, this event would not jeopardise the repayment of Investors' savings. The Custodian of the Fund shall be liable for the loss of the Fund's deposited financial assets by the Custodian or a third party entrusted with the custody of the Fund, in the cases provided for by the applicable legislation. In the event of the loss of financial assets held in custody, the Custodian shall without undue delay make available to the Fund financial assets of the same type or an equivalent amount of money without undue delay. The Custodian of the Fund shall be a member of the Investor Protection Fund (BEVA). For details of the terms and limits of the BEVA Investor Guarantee Scheme, please visit <https://bva.hu/hu/>.

### What costs are incurred?

The person advising you or selling you the product may charge other costs. In this case, they will inform you of these charges and how they affect your investment.

The Reduction in Yield (RIY) shows how the total cost you pay will affect the investment return you get. The total cost takes into account one-off, ongoing and additional costs. The amounts shown here are the cumulative costs of the product itself, for two different holding periods.

They include possible penalties for early exit. The figures are based on the assumption that you invest €10,000. The figures are estimates using the assumptions of a moderate performance scenario and are subject to change in the future.

### Changes in costs over time

The table shows the amounts that your investment will be used to cover different types of costs. These amounts depend on how much you invest, how long you keep the product and how well the product performs. The amounts shown here are illustrations based on an example investment and different possible investment periods. We have assumed that you will get back the amount invested in the first year (0% annual return). For the remaining holding periods, we have assumed that the product performs according to the moderate scenario and that 10.000 EUR are invested.

Evolution of costs over time	If you redeem after (1) year	If you redeem at the end of year 5
Total cost	EUR 91.73	EUR 472.98
Annual cost impact*	0.91 %	0.91 % each year

\* This illustrates how costs reduce your return each year over the holding period. It shows, for example, that if you exit after the recommended holding period, your average annual return is expected to be [2.51]% before costs and [1.60]% after costs."

### Composition of the costs

The table below shows the annual impact of the different types of costs on the investment return you can achieve at the end of the recommended holding period. The table also shows the meaning of the different cost categories.

One-off costs on entry or exit		If you redeem after the recommended retention period
<b>Entry costs*</b>	During the Primary Distribution at the distribution points of OTP Bank Plc., the purchase commission rate is 5 percent of the invested amount.	EUR 500
<b>Exit costs</b>	During the Primary Distribution, the redemption commission rate at the distribution points of OTP Bank Plc. is 5 percent of the redeemed amount.	EUR 500
<b>Current expenditure [each year]</b>		
<b>Management fees and other administrative or operating expenses</b>	The cost of fund management, distribution, auditing, custodian, accounting fees, etc. is 0.78% the annual value of your investment, which is an estimated value for 2024. <i>(Impact of the costs we charge each year for managing your investments)</i>	EUR 78
<b>Transaction costs</b>	Portfolio transaction costs estimated for 2024 0.13 % <i>(The impact of the cost of our buying and selling the underlying investments for the product).</i>	EUR 13
<b>Additional costs incurred under specified conditions</b>		
<b>Performance fees [and profit-sharing]</b>	No performance fee is payable for this product.	

The above costs are based on estimates and are subject to change.

\*In the case of cash purchases under the Primary Dealership of the Fund's Investment Units, in addition to the fee charged by the above distributor, a fee of +10% will be charged on the order amount, which will be paid to the Fund (Rule 41.1 of the Management Regulations)

Units of the Fund are also available in Secondary Distributions, which are subject to different fees.

### How long should I hold the product and how can I access my money earlier?

Investment period proposed by the Manager: 5 years. The proposed holding period is determined taking into account the risk rating of the fund and the composition of the underlying portfolio. You will have the opportunity to redeem your Units during the continuous distribution period before the end of the recommended investment period, subject to the conditions set out in the current Announcement published by each Distributor. The actual risk or performance profile may differ significantly if you redeem before the end of the recommended holding period.

### How can I file a complaint?

You can complain directly to the person who informed you about the product or sold it to you (e.g. your intermediary).

Complainants can make a complaint about a product or the product manufacturer's procedures:

They can do so in **person or by proxy** at the head office of the Fund Manager (1026 Budapest, Riadó u. 1-3.); or by telephone at +36-1-412-8300, every working day from 8 a.m. to 4 p.m.

**Written complaints** may be sent by letter to the postal address of OTP Fund Management Ltd.: 1026 Budapest, Riadó u. 1-3., by e-mail to the following address: [panasz@otpalapkezelo.hu](mailto:panasz@otpalapkezelo.hu); and by fax to the fax number +36-1-412-8399, 24 hours a day, 7 days a week.

### Other important information

Pursuant to legal obligations, this document, the Prospectus and Management Regulations, the daily net asset value data, the annual and semi-annual reports and the official notices are available free of charge in Hungarian at the distribution points, at the registered office of the Fund Manager, on the website of OTP Fund Management Ltd. ([www.otpalap.hu](http://www.otpalap.hu)), on the website of OTP Bank Plc. acting as the lead distributor ([www.otpbank.hu](http://www.otpbank.hu)) and on the website of the MNB at <https://kozvetetelek.mnb.hu>.

Year of launch of the "A" series: 2024.

Series A has no historical returns at the time of writing.

Availability of the Fund's monthly published performance scenario calculations:

[https://www.otpbank.hu/otpalapkezelo/hu/Befektetesi\\_alapok/Teljesitmeny\\_forgatokonyvek](https://www.otpbank.hu/otpalapkezelo/hu/Befektetesi_alapok/Teljesitmeny_forgatokonyvek)

**Past performance is not a reliable indicator of future performance. Markets can develop very differently in the future.**

The annual returns of the Fund are the returns in euro for Series A Investment Certificates, calculated taking into account the ongoing charges of the Fund but excluding one-off entry and exit fees.