

ERSTE RESPONSIBLE BOND EURO CORPORATE

Mutual fund pursuant to the InvFG

Annual Report 2016/17

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General Information about the Investment Firm

The company	ERSTE-SPARINVEST Kapitalanlagegesellschaft m. b. H. Am Belvedere 1, A-1100 Vienna Telephone: +43 05 0100-19881, Fax: +43 05 0100-17102
Nominal capital	EUR 4.50 million
Shareholders	Erste Asset Management GmbH (81.48%) DekaBank Deutsche Girozentrale (2.87%) „Die Kärntner“ Trust-Vermögensverwaltungsgesellschaft m.b.H. & Co KG (2.87 %) NÖ-Sparkassen Beteiligungsgesellschaft m. b. H. (1.31%) Salzburger Sparkasse Bank Aktiengesellschaft (2.87%) Sieben Tiroler Sparkassen Beteiligungsgesellschaft m. b. H. (2.87%) Steiermärkische Bank und Sparkassen Aktiengesellschaft (5.73%)
Supervisory Board	Wolfgang TRAINDL, Mag. (Chairman) Gerhard FABISCH, Mag. Dr. (Deputy Chairman, First Deputy) (until 9 June 2016) Gabriele SEMMELROCK-WERZER (Deputy Chairwoman, First Deputy from 9 June 2016) Franz-Nikolaus HÖRMANN, Mag. (Deputy Chairman, Second Deputy) Matthias BAUER (from 13 October 2016) Klaus BRUGGER, DDr. (until 30 October 2016) Josef PRESCHITZ (from 13 October 2016) Franz PRUCKNER, Dr. MBA Birte QUITT, Dipl. BW. (FH) (until 9 February 2016) Rupert RIEDER, Mag. Thomas SCHAUFLENER, Mag. (FH) (from 10 February 2016) Reinhard WALTL, Mag. Appointed by the Works Council: Martin CECH (from 23 December 2016) Regina HABERHAUER, Mag. (FH) Dieter KERSCHBAUM, Mag. (until 22 December 2016) Gerhard RAMBERGER, Mag. (until 22 December 2016) Heinrich Hubert REINER, Ing. (from 23 December 2016) Peter RIEDERER (from 23 December 2016) Herbert STEINDORFER (until 22 December 2016) Manfred ZOUREK, Mag. (from 23 December 2016)
Managing directors	Heinz BEDNAR, Mag. Markus KALLER, Mag. (from 1 April 2016 to 31 January 2017) Günther MANDL Christian SCHÖN
Prokuristen (proxies)	Achim ARNHOF, Mag. Karl BRANDSTÖTTER, Mag. (until 3 February 2017) Winfried BUCHBAUER, Mag. Karl FREUDENSCHUSS Dietmar JAROSCH, Dr. Manfred LENTNER Gerold PERMOSER, Mag. Magdalena REISCHL, Mag. (from 1 July 2016) Jürgen SINGER, Mag.
State commissioners	Erwin GRUBER Michael MANHARD, HR Dr.
Auditor	ERNST & YOUNG WIRTSCHAFTSPRÜFUNGSGESELLSCHAFT MBH
Custodian bank	Erste Group Bank AG

Information about the remuneration policy:

Number of employees (including management): 136.

Total remuneration paid to employees (including management): EUR 13,000,314, thereof fixed remuneration: EUR 10,185,711, thereof variable remuneration: EUR 2,814,603. Total remuneration paid to management, bearers of material risk, employees with control functions, and employees who are at the same pay grade as managers and bearers of material risk due to the amount of their total remuneration: EUR 7,589,300. Thereof remuneration paid to management: EUR 1,051,258, thereof remuneration paid to bearers of material risk: EUR 5,548,098, employees with control functions: EUR 989,943, and employees who are at the same pay grade as managers and bearers of material risk due to the amount of their total remuneration: EUR 0.

No investment success bonuses are paid, and no other amounts are paid directly from the investment funds.

The last audit of compliance with the requirements of the remuneration policy by the Supervisory Board revealed no deviations. There were also no material findings during the last audit by the Internal Auditing department.

The description of the calculation can be found in the company's remuneration policy at http://www.erste-am.at/de/private_anleger/wer-sind-wir/investmentprozess.

Dear Shareholder,

We are pleased to present you the following annual report for the ERSTE RESPONSIBLE BOND EURO CORPORATE mutual fund pursuant to the InvFG for the period from 1 May 2016 to 30 April 2017.

Development of the Fund

The capital markets were again driven in large part by the expansive monetary policies during the reporting period. Inflation rose somewhat due to the climbing commodity prices, but remained at low levels. The bond purchasing programme, which has included not only government bonds, bonds from quasi-sovereign entities, and covered bonds but also corporate bonds from the Eurozone since June 2016, also supported corporate bonds in the Eurozone. Capital market yields fell during the reporting period, in many cases into negative territory at times. The yield on a ten-year German government bond also went negative for a time. Subordinated corporate bonds and bonds with low ratings saw their risk premiums decline in part substantially. Europe's smaller peripheral countries also saw good value development. Investor demand is still high, and many new issues are oversubscribed multiple times as a result. Issuance activity increased for corporate bonds with lower ratings, and these instruments experienced a significant tightening of risk premiums thanks to their low default rates.

Currencies in developed industrialised countries were in part highly volatile. However, EUR/USD remained within a relatively narrow range. Commodities continued to recover for the most part.

ERSTE RESPONSIBLE BOND EURO CORPORATE is a bond fund that invests primarily in euro-denominated investment grade bonds (minimum rating BBB-/Baa3). It focuses on OECD-domiciled bonds from industrial companies and financial services providers, with an average overall portfolio rating of A-/BBB+. The fund invests solely in issuers that facilitate socially and environmentally appropriate production processes. ERSTE RESPONSIBLE BOND EURO CORPORATE meets its investment objectives by optimising the data collected for vetting purposes about the target organisation's sustainability performance. Active and dynamic fund management are a second source for the alpha. A four-stage investment process guarantees the optimisation of the ESG (environmental, social, and governance) input data. This process includes the support of an advisory board for feedback from the individual stakeholders and collaboration with three ESG research agencies.

The fund's interest rate duration is kept stable, and varied between 4.5 and 5.5 years during the reporting period. In regional terms, the portfolio focuses on issuers from France, Germany, the USA, and the Netherlands. If appropriate, the fund can also invest in funds that are in line with the investment principles as well as in time deposits. Sub-investment grade bonds (ratings lower than BBB-/Baa3) and bonds that are not rated by the major international rating agencies are also held by the fund to a limited extent, and these securities turned in a solid performance. Subordinated bonds from financial service providers, industrial companies, and utilities also made positive performance contributions. Because of the attractive market conditions, numerous corporate bonds were bought on the primary market during the reporting period. The share of subordinated issues remained stable. In terms of maturity segments, the 7–10 year segment was generally overweighted, while short and ultra-long maturities remained underweighted.

Derivative financial instruments:

ERSTE RESPONSIBLE BOND EURO CORPORATE used no derivative financial instruments in the reporting period.

ERSTE RESPONSIBLE BOND EURO CORPORATE achieved a positive performance of 2.34% in the reporting period.

Method of Calculating Overall Risk

Method of calculating overall risk:		Commitment approach
Reference assets used:		-
Value at risk:	Lowest value:	-
	Average value:	-
	Highest value:	-
Model used:		-
Leverage* when using the value-at-risk calculation method:		-
Leverage** according to § 4 of the 4 th Derivatives Risk Measurement and Reporting Regulation:		-

* Total nominal values of derivative instruments without taking into account offsetting and hedging (item 8.5. Schedule B InvFG 2011).

** Total derivative risk taking offsetting and hedging into account = total of the equivalent values of the underlying assets as a percentage of the fund assets.

Asset Allocation

	30 April 2017		30 April 2016	
	EUR millions	%	EUR millions	%
Bonds denominated in EUR *	171.2	97.87	162.4	99.89
Securities	171.2	97.87	162.4	99.89
Cash in banks/bank liabilities	1.9	1.11	-	1.7
Interest entitlements	1.8	1.02	-	1.8
Other deferred items	-	0.0	-	0.0
Fund assets	174.9	100.00	162.6	100.00

* See also the footnote under Fund Portfolio.

Comparative Overview (in EUR)

Financial year	Fund assets	Value development in per cent 1)
2011/12	36,856,328.24	+ 7.51
2012/13	115,603,844.33	+ 9.04
2013/14	150,615,469.84	+ 2.93
2014/15	176,498,585.38	+ 4.96
2015/16	162,626,866.97	+ 0.69
2016/17	174,899,803.27	+ 2.34

Financial year	Dividend shares		Non-dividend shares			KESt-exempt non-dividend shares	
	Calculated value per share	Dividend disbursement	Calculated value per share	Reinvested earnings	Payment in accordance with § 58 (2) InvFG	Calculated value per share	Reinvested KESt-exempt earnings
2011/12 2)	107.51	3.66	107.51	3.83	0.91	107.51	4.74
2012/13	113.33	3.38	116.26	3.82	0.86	117.23	4.71
2013/14	113.12	3.20	118.77	2.69	0.84	120.66	3.58
2014/15	115.43	2.40	123.79	2.86	0.86	126.64	3.80
2015/16	113.77	1.6000	123.76	2.0005	0.7198	127.51	2.7996
2016/17	114.84	1.3000	125.94	1.8150	0.6177	130.50	2.5171

1) Assuming the reinvestment of all paid dividends at their nominal value on the day of disbursement.

2) Partial financial year from 2 May 2011 to 30 April 2012.

Disbursement/Payment

The following disbursement or payment will be made for the financial year from 1 May 2016 to 30 April 2017. The coupon-paying bank is obligated to withhold capital gains tax from this disbursement if the respective investor is not exempt from the payment of this tax.

The disbursement or payment will be effected on or after 1 August 2017 at

Erste Group Bank AG, Vienna,

and the respective bank managing the Shareholder's securities account.

Fund type	ISIN	Currency	Disbursement/ payment		KES with option declaration	KES w/o option declaration	Reinvestment
Dividend shares	AT0000AOPHH8	EUR	1.3000		0.5645	0.5645	-
Non-dividend shares	AT0000AOPHJ4	EUR	0.6177		0.6177	0.6177	1.8150
KES-exempt non- dividend shares	AT0000AOPHK2	EUR	-	*	-	-	2.5171

* Pursuant to the penultimate sentence of § 58 (2) of the Austrian Investment Fund Act, no capital gains tax will be paid.

Income Statement and Changes in Fund Assets

1. Value Development over the Financial Year (Fund Performance)

Calculation according to the OeKB method per share in the share currency not accounting for an issue premium

AT0000AOPHH8 dividend shares EUR	
Share value at the beginning of the reporting period (237,168.905 shares)	113.77
Disbursement/payment on 28.07.2016 (corresponds to roughly 0.0139 shares at a calculated value of 115.37)	1.6000
Share value at the end of the reporting period (248,880.269 shares)	114.84
Total value including (notional) shares gained through dividend disbursement/payment	116.43
Net earnings per share	2.66
Value development of one share in the period	2.34%

AT0000AOPHJ4 non-dividend shares EUR	
Share value at the beginning of the reporting period (1,020,482.479 shares)	123.76
Disbursement/payment on 28.07.2016 (corresponds to roughly 0.0057 shares at a calculated value of 126.53)	0.7198
Share value at the end of the reporting period (1,160,238.972 shares)	125.94
Total value including (notional) shares gained through dividend disbursement/payment	126.66
Net earnings per share	2.90
Value development of one share in the period	2.34%

AT0000AOPHK2 KEST-exempt non-dividend shares EUR	
Share value at the beginning of the reporting period (73,273.000 shares)	127.51
Disbursement/payment	0.0000
Share value at the end of the reporting period (1,458.000 shares)	130.50
Total value including (notional) shares gained through dividend disbursement/payment	130.50
Net earnings per share	2.99
Value development of one share in the period	2.34%

2. Fund Result

a. Realised fund result

Ordinary fund result

Income (without profit or loss from price changes)

Interest income (excluding income adjustment) 3,816,302.52

Dividend income 0.00

Other income 8) 0.00

Total income (without profit or loss from price changes) 3,816,302.52

Interest paid - 6,581.54

Expenses

Fees paid to Investment Firm - 1,004,238.61

Costs for the financial auditor and tax consultation - 5,680.00

Publication costs - 65,753.51

Securities account fees - 45,762.51

Custodian bank fees - 80,339.08

Costs for the external consultant 0.00

Total expenses - 1,201,773.71

Compensation for management costs from sub-funds 1) 0.00

Ordinary fund result (excluding income adjustment) 2,607,947.27

Realised profit or loss from price changes 2) 3)

Realised gains 4) 1,084,141.21

Realised losses 5) - 467,967.52

Realised profit or loss from price changes (excluding income adjustment) 616,173.69

Realised fund result (excluding income adjustment) 3,224,120.96

b. Unrealised profit or loss from price changes 2) 3)

Changes in the unrealised profit or loss from price changes 7) 578,850.05

Result for the reporting period 6) 3,802,971.01

c. Income adjustment

Income adjustment for income in the period 155,475.63

Income adjustment for profit carried forward from dividend shares 49,467.16

Overall fund result 4,007,913.80

3. Changes in Fund Assets

Fund assets at the beginning of the reporting period	162,626,866.97
Disbursement/payment in the financial year	- 1,148,090.26
Issue and return of shares	9,413,112.76
Overall fund result	
(The fund result is shown in detail under item 2.)	4,007,913.80
Fund assets at the end of the reporting period	<u>174,899,803.27</u>

- 1) Reimbursements (in the sense of commissions) paid by third parties are forwarded to the fund after deduction of any associated costs. Erste Bank der oesterreichischen Sparkassen AG receives 25% of the calculated commissions to cover administrative costs.
- 2) Realised profits and losses are not calculated precisely for the specific periods, which means that they, as is the case for the changes in the unrealised profit or loss, are not necessarily congruent with the changes in the value of the fund in the reporting year.
- 3) Total profit or loss from price changes without income adjustment (realised profit or loss from price changes, without income adjustment, plus changes in the unrealised profit or loss): EUR 1,195,023.74.
- 4) Thereof profits from transactions with derivative financial instruments: EUR 0.00.
- 5) Thereof losses from transactions with derivative financial instruments: EUR 0.00.
- 6) The result for the financial year includes explicitly reported transaction costs in the amount of EUR 14,817.49.
- 7) Thereof changes in unrealised gains EUR 340,023.88 and unrealised losses EUR 238,826.17.
- 8) The earnings reported under this item can be attributed to lending fees from securities lending transactions conducted with Erste Group Bank AG in the amount of EUR 0.00, to earnings from real estate funds in the amount of EUR 0.00, and to other earnings in the amount of EUR 0.00.

Fund Portfolio as of 30 April 2017

(including changes in securities assets from 1 May 2016 to 30 April 2017)

Security designation	ISIN number	Interest rate	Purch./ additions	Sales/ disposals	Holding Shares/nominal (nom. in 1,000, rounded)		Price	Value in EUR	% share of fund assets
Publicly traded securities									
Bonds denominated in EUR									
Issue country Denmark									
NYKREDIT 15/27 FLR MTN	XS1321920735	2.750	800	0	1,000	104.613	1,046,131.97	0.60	
Total issue country Denmark							1,046,131.97	0.60	
Issue country Germany									
DT.PFBR.BANK MTN.35254	DE000A13SWH9	1.125	0	0	1,000	102.003	1,020,026.02	0.58	
Total issue country Germany							1,020,026.02	0.58	
Issue country Finland									
CRH FIN.SER. 13/20 MTN	XS0981442931	2.750	0	0	1,000	107.952	1,079,523.01	0.62	
CT.BK.SAV.BKS 15/20 MTN	XS1227609879	1.000	1,000	0	2,200	101.594	2,235,065.87	1.28	
Total issue country Finland							3,314,588.88	1.90	
Issue country Ireland									
CRH FINANCE DAC 16/28 MTN	XS1505896735	1.375	500	0	500	97.677	488,383.49	0.28	
FCA BNK (IE BR.)16/21 MTN	XS1435295925	1.250	800	0	800	101.473	811,782.41	0.46	
LUNAR FUNDING V 14/21 MTN	XS1051076922	1.875	0	0	1,300	106.832	1,388,816.01	0.79	
SMURF.KAPP.ACQ.17/24 REGS	XS1555147369	2.375	500	0	500	101.750	508,750.00	0.29	
Total issue country Ireland							3,197,731.91	1.83	
Issue country Italy									
ACEA S.P.A. 16/26 MTN 2	XS1508912646	1.000	800	0	800	95.742	765,938.42	0.44	
GENERALI 14/20 MTN	XS1014759648	2.875	0	0	1,000	107.317	1,073,170.01	0.61	
HERA 14/24 MTN	XS1084043451	2.375	0	0	1,250	109.803	1,372,533.70	0.78	
INTESA SAN. 14/22 MTN	XS1018032950	3.500	0	0	1,000	111.322	1,113,219.99	0.64	
PRYSMIAN 15/22	XS1214547777	2.500	0	0	500	104.425	522,125.00	0.30	
SNAM 15/23 MTN	XS1318709497	1.375	0	343	457	102.719	469,427.65	0.27	
SNAM 16/26 MTN	XS1505573482	0.875	1,800	0	1,800	96.056	1,729,015.13	0.99	
Total issue country Italy							7,045,429.90	4.03	
Issue country Luxembourg									
FIAT CHRY.F. 14/22 MTN	XS1088515207	4.750	0	0	800	111.035	888,278.38	0.51	
Total issue country Luxembourg							888,278.38	0.51	

ERSTE RESPONSIBLE BOND EURO CORPORATE

Security designation	ISIN number	Interest rate	Purch./ additions Shares/	Sales/ disposals nominal (nom. in 1,000, rounded)	Holding	Price	Value in EUR	% share of fund assets
Issue country Mexico								
FOM.ECON.MEX.SAB 16/23	XS1378895954	1.750	0	0	1,200	102.021	1,224,252.05	0.70
Total issue country Mexico							1,224,252.05	0.70
Issue country Netherlands								
ALLIANDER 12/24	XS0792977984	2.875	0	0	1,500	116.337	1,745,050.50	1.00
CITYCON TREAS. 16/26	XS1485608118	1.250	500	0	500	96.525	482,624.51	0.28
GEBERIT INTL 15/21	XS1117297942	0.688	0	0	1,200	102.086	1,225,031.99	0.70
Total issue country Netherlands							3,452,707.00	1.97
Issue country Sweden								
SKAND.ENSK. 16/21 MTN	XS1370669639	0.750	0	0	1,000	102.375	1,023,753.97	0.59
Total issue country Sweden							1,023,753.97	0.59
Issue country Spain								
SANTDR CONS.FIN.15/20 MTN	XS1188117391	0.900	1,000	0	1,000	101.988	1,019,877.01	0.58
SANTDR CONS.FIN.16/21 MTN	XS1413580579	1.000	1,300	0	1,300	101.876	1,324,386.70	0.76
Total issue country Spain							2,344,263.71	1.34
Issue country USA								
MANPOWERGROUP 12/18 REGS	XS0794990050	4.500	0	0	1,000	105.010	1,050,098.04	0.60
PROCTER GAMBLE 05/20	XS0237323943	4.125	0	0	1,000	114.739	1,147,385.03	0.66
Total issue country USA							2,197,483.07	1.26
Total bonds denominated in EUR							26,754,646.86	15.30
Total publicly traded securities							26,754,646.86	15.30
Securities admitted to organised markets								
Bonds denominated in EUR								
Issue country Australia								
AMCOR LTD 11/19 MTN	XS0604462704	4.625	0	0	1,200	108.745	1,304,942.41	0.75
AUSNET SVCS H.P.15/27 MTN	XS1191877452 1)	1.500	0	0	1,000	101.524	1,012,570.77	0.58
NATL AUSTR. BK 15/22 MTN	XS1167352613	0.875	0	0	2,000	102.338	2,046,761.94	1.17
TRANSURBAN FIN.CO. 13/20	XS0977502110	2.500	0	0	1,000	107.093	1,070,929.03	0.61
Total issue country Australia							5,435,204.15	3.11
Issue country Belgium								
ELIA SYSTEM OP. 17-27 MTN	BE0002276450	1.375	1,500	0	1,500	100.930	1,513,950.00	0.87
KBC GROEP 16/23 MTN	BE0002266352	0.750	500	0	500	98.642	493,210.99	0.28
Total issue country Belgium							2,007,160.99	1.15

Security designation	ISIN number	Interest rate	Purch./ additions Shares/nominal (nom. in 1,000, rounded)	Sales/ disposals	Holding	Price	Value in EUR	% share of fund assets
Issue country Denmark								
CARLSBERG BREW. 10/17 MTN	XS0548805299	3.375	0	0	1,607	101.565	1,632,149.55	0.93
CARLSBERG BREW. 12/19 MTN	XS0800572454	2.625	0	0	850	105.590	897,515.88	0.51
VESTAS WIND SYSTEMS 15/22	XS1197336263	2.750	0	0	1,000	106.830	1,068,300.00	0.61
Total issue country Denmark							3,597,965.43	2.06
Issue country Germany								
ADIDAS AG BOND 14/26	XS1114159277	2.250	0	0	1,700	108.185	1,839,145.00	1.05
ALLIANZ SUB 2012/2042	DE000A1RE1Q3	5.625	0	0	1,000	120.368	1,203,677.98	0.69
BERTELSMANN ANL.16/26	XS1400165350	1.125	0	0	1,400	100.811	1,411,348.40	0.81
DAIMLER AG.MTN 13/20	DE000A1TNK86	2.000	0	0	750	105.658	792,436.52	0.45
DEUT.BOERSE MTN 12/22	DE000A1RE1W1	2.375	0	0	600	111.541	669,244.22	0.38
DVB BANK MTN.13/20	XS0999475196	2.375	700	0	1,700	106.683	1,813,609.28	1.04
DVB BANK MTN.17/22	XS1555094066	1.000	1,500	0	1,500	100.554	1,508,317.46	0.86
EVONIK IND.MTN 15/23	XS1170787797	1.000	0	0	1,500	102.188	1,532,813.99	0.88
HEIDEL.CEMENT MTN 16/25	XS1529515584	1.500	500	0	500	101.803	509,016.00	0.29
INFINEON TECH. BONDS 15/22	XS1191116174	1.500	0	0	600	105.396	632,376.62	0.36
LBBW 16/19	XS1353555003	0.375	0	0	1,000	100.642	1,006,416.02	0.58
LBBW SUB.MTN 16/26	DE000LB1B2E5	2.875	1,300	0	1,300	101.915	1,324,895.00	0.76
MUENCH.RUECK 12/42	XS0764278528	6.250	0	500	1,000	123.818	1,238,181.99	0.71
Total issue country Germany							15,481,478.48	8.85
Issue country Finland								
NESTE OYJ 15-22	FI4000148671	2.125	0	0	1,300	104.820	1,362,660.00	0.78
Total issue country Finland							1,362,660.00	0.78
Issue country France								
ACCOR 15/23	FR0012949949	2.375	0	0	1,200	107.473	1,289,680.75	0.74
AXA S.A. 13/43 FLR MTN	XS0878743623	5.125	0	0	1,000	117.113	1,171,131.97	0.67
BANQUE POSTALE 15/27 FLR	FR0013054913	2.750	500	0	1,000	104.656	1,046,556.02	0.60
BNP PARIBAS 14/26 FLR MTN	XS1046827405	2.875	0	0	1,000	105.655	1,056,549.99	0.60
BNP PARIBAS 16/22 MTN	XS1527753187	0.500	1,200	0	1,200	100.598	1,207,176.00	0.69
CAP GEMINI 15-20	FR0012821932	1.750	0	0	500	104.220	521,100.01	0.30
CARREFOUR 15/25 MTN	XS1179916017	1.250	0	0	1,000	101.559	1,015,585.02	0.58
COMP.DE ST.-GOBAIN 12/22	XS0760364116	3.625	0	0	1,000	115.493	1,154,934.01	0.66
COMP.DE ST.-GOBAIN 17/25	XS1577586321	1.000	1,000	0	1,000	99.717	997,167.97	0.57
CREDIT AGRICOLE 12/17 MTN	XS0844529049	1.875	0	0	1,000	100.990	1,009,900.00	0.58
EDENRED 15-25	FR0012599892	1.375	0	0	1,000	99.530	995,299.99	0.57
IMERYS 14-24 MTN	FR0012370872	2.000	0	0	1,000	106.354	1,063,541.03	0.61
LAGARDERE 16/23	FR0013153160	2.750	0	0	1,200	106.735	1,280,820.00	0.73
LEGRAND 12/22 MTN	FR0011234921	3.375	0	0	500	115.015	575,075.99	0.33
ORANGE 11/19 MTN	XS0616431507	4.125	0	0	1,200	107.110	1,285,324.76	0.73
ORANGE 14/UND. FLR MTN	XS1028600473	4.250	0	0	1,000	107.165	1,071,651.99	0.61
PERNOD-RICARD 14/20	FR0011798115	2.000	0	0	1,000	105.800	1,058,000.03	0.60
RCI BANQUE 15/22 MTN	FR0012759744	1.250	800	0	1,700	102.254	1,738,317.97	0.99
SCHNEIDER ELECTRIC 11/18	FR0011075183	3.750	0	0	700	104.535	731,742.89	0.42

ERSTE RESPONSIBLE BOND EURO CORPORATE

Security designation	ISIN number	Interest rate	Purch./ additions Shares/nominal (nom. in 1,000, rounded)	Sales/ disposals	Holding	Price	Value in EUR	% share of fund assets
SOC GENERALE 12/22 MTN	XS0802756683	4.250	0	0	1,000	119.036	1,190,356.98	0.68
SUEZ 15/25 MTN	FR0012949923	1.750	1,000	0	1,800	106.147	1,910,642.35	1.09
SUEZ 17/UND. FLR	FR0013252061	2.875	500	0	500	101.095	505,475.00	0.29
TELEPERFORM. 17-24	FR0013248465	1.500	600	0	600	100.885	605,310.00	0.35
TOTAL 16/UND.	XS1413581205	3.875	1,000	0	1,000	107.167	1,071,668.01	0.61
UNIBAIL-RODAMCO 14/24 MTN	XS1038708522	2.500	0	0	1,000	111.663	1,116,626.97	0.64
UNIBAIL-RODAMCO 16/27 MTN	XS1401196958	1.125	0	0	1,000	98.472	984,717.03	0.56
VALLOUREC 14/24	FR0012188456	2.250	0	0	1,000	80.744	807,435.00	0.46
VEOLIA ENVIR. 13/UND.FLR	FR0011391820	4.450	0	0	1,000	103.395	1,033,952.03	0.59
VEOLIA ENVIRONN.17/26 MTN	FR0013246733	1.496	1,500	0	1,500	102.508	1,537,613.99	0.88
WPP FINANCE 14/26 MTN	XS1112013666	2.250	0	0	1,000	108.348	1,083,483.96	0.62
Total issue country France							<u>32,116,837.71</u>	<u>18.36</u>
Issue country Great Britain								
BRAMBLES FIN. 11/18	XS0615238044	4.625	0	0	800	104.518	836,140.81	0.48
HAMMERSON PLC 12/19	XS0834382151	2.750	0	0	750	105.999	794,990.27	0.45
ITV 16/23	XS1525536840	2.000	500	0	500	102.318	511,591.99	0.29
LLOYDS BANK 14/21 MTN	XS1139091372	1.000	1,250	0	1,250	102.619	1,282,741.26	0.73
MONDI FINANCE 12/20 MTN	XS0834719303	3.375	0	0	1,200	110.140	1,321,675.24	0.76
MONDI FINANCE 16/24 MTN	XS1395010397	1.500	0	0	1,000	102.305	1,023,047.03	0.58
NATIONWIDE BLDG 15/25 MTN	XS1196797614	1.250	0	0	1,800	102.519	1,845,338.38	1.06
NGG FINANCE 13/76 FLR	XS0903531795	4.250	0	0	1,000	108.000	1,080,000.00	0.62
PEARSON FD FIVE 15/25	XS1228153661	1.375	0	0	1,000	97.936	979,359.97	0.56
ROYAL MAIL 14/24	XS1091654761	2.375	0	0	1,550	107.605	1,667,872.82	0.95
SKY PLC 14/26 MTN	XS1109741329	2.500	0	0	700	108.196	757,370.61	0.43
SMITHS GROUP 17/27 MTN	XS1570260460	2.000	750	0	750	103.043	772,818.77	0.44
TESCO C.TR.SERV.14/19 MTN	XS1082970853	1.375	0	0	1,500	101.770	1,526,546.97	0.87
VODAFONE GRP 16/24 MTN	XS1499604905	0.500	2,000	0	2,000	96.570	1,931,396.02	1.10
Total issue country Great Britain							<u>16,330,890.14</u>	<u>9.34</u>
Issue country Ireland								
GE CAP.EURO.FUND.13/23MTN	XS0874840845	2.625	0	0	1,000	112.480	1,124,800.03	0.64
Total issue country Ireland							<u>1,124,800.03</u>	<u>0.64</u>
Issue country Italy								
TERNA R.E.N. 16/28 MTN	XS1503131713	1.000	1,000	0	1,000	94.868	948,683.01	0.54
Total issue country Italy							<u>948,683.01</u>	<u>0.54</u>
Issue country Luxembourg								
HDLBGCEM.FIN.LU. 14/19	XS1044496203	2.250	0	0	1,000	104.042	1,040,423.97	0.59
Total issue country Luxembourg							<u>1,040,423.97</u>	<u>0.59</u>
Issue country Netherlands								
ABB FIN.B.V. 16/23 MTN	XS1402941790	0.625	0	0	1,000	101.004	1,010,039.98	0.58
ADECCO INTL FINL S. 16/24	XS1527526799	1.000	1,000	0	1,000	99.813	998,125.99	0.57

Security designation	ISIN number	Interest rate	Purch./ additions Shares/nominal (nom. in 1,000, rounded)	Sales/ disposals	Holding	Price	Value in EUR	% share of fund assets
ASML HOLDING N.V. 16/26	XS1405780963	1.375	600	0	600	100.513	603,079.19	0.34
BMW FIN. NV 03/18 MTN	XS0173501379	5.000	0	0	1,200	106.511	1,278,136.78	0.73
COCA COLA HBC F.16/24 MTN	XS1377682676	1.875	0	0	1,000	106.217	1,062,174.00	0.61
DT.TELEK.INTL F.17/27 MTN	XS1557095616	1.375	1,300	0	1,300	100.614	1,307,987.24	0.75
ENEXIS HOLDING 12/20 MTN	XS0854400800	1.875	0	0	1,000	106.406	1,064,063.03	0.61
HEINEKEN 16/26 MTN	XS1401174633	1.000	0	0	1,300	98.711	1,283,237.83	0.73
ING BK NV 16/21 MTN	XS1368576572	0.750	0	0	1,000	102.094	1,020,943.98	0.58
ING GROEP 07/17 MTN	XS0303396062	4.750	0	0	1,400	100.395	1,405,530.00	0.80
INNOGY FINANCE 17/25 MTN	XS1595704872	1.000	900	0	900	99.405	894,645.00	0.51
KON. KPN 16/28 MTN	XS1485533431	1.125	1,000	0	1,000	94.960	949,604.03	0.54
KONINKLIJKE DSM 14/24 MTN	XS1041772986	2.375	0	0	1,200	111.668	1,340,017.18	0.77
LANXESS AG 11/18 MTN	XS0629645531	4.125	0	0	1,000	104.444	1,044,437.03	0.60
METRO FIN. 12/18 MTN	XS0863116231	2.250	0	0	500	102.168	510,840.00	0.29
NED. GASUNIE 11/21 MTN	XS0690606172	3.625	0	0	1,400	115.304	1,614,260.17	0.92
NN GROUP 14/UND. FLR	XS1028950290	4.500	0	0	1,500	104.211	1,563,162.00	0.89
RABOBK NEDERLD 11/18 MTN	XS0691801327	3.500	0	0	1,200	105.372	1,264,460.35	0.72
RABOBK NEDERLD 12/22 MTN	XS0826634874	4.125	1,000	0	1,500	116.963	1,754,446.46	1.00
SIEMENS FINANC. 13/28 MTN	DE000A1UDWN5	2.875	0	0	500	120.113	600,564.01	0.34
TELEFON.EUROPE 16/UND.FLR	XS1490960942	3.750	1,000	0	1,000	102.790	1,027,900.01	0.59
TENNET HOLDING 16/36	XS1432384409	1.875	800	0	800	102.430	819,440.00	0.47
TENNET HOLDING 17/UND.FLR	XS1591694481	2.995	1,000	0	1,000	100.750	1,007,500.00	0.58
Total issue country Netherlands							25,424,594.26	14.54
Issue country Norway								
STATOIL ASA 13/20 MTN	XS0969574325	2.000	0	0	1,000	106.430	1,064,296.04	0.61
TELENOR ASA 13/25 MTN	XS0933241456	2.500	0	0	1,000	113.016	1,130,164.03	0.65
Total issue country Norway							2,194,460.07	1.25
Issue country Austria								
EGGER HOLZWERKSTOF. 11-18	AT0000A0NBFO	5.625	0	0	750	103.137	773,527.50	0.44
ERSTE GP BNK AG 12/22 MTN	XS0840062979	7.125	0	0	1,000	128.432	1,284,324.04	0.73
KAERNT.ELEKTRIZ. 12-22MTN	AT0000A0X913	3.250	0	0	500	113.490	567,450.00	0.32
OMV AG 11-UND.	XS0629626663	6.750	0	300	700	105.766	740,361.99	0.42
RAIF.BK INTL 14/25FLR MTN	XS1034950672	4.500	0	0	1,000	105.517	1,055,171.97	0.60
VIENNA INS.GRP 15-46 FLR	AT0000A1D5E1	3.750	0	0	1,700	104.655	1,779,138.35	1.02
Total issue country Austria							6,199,973.85	3.54
Issue country Panama								
CARNIVAL 16/21	XS1319820624	1.625	0	0	1,000	104.601	1,046,010.97	0.60
Total issue country Panama							1,046,010.97	0.60
Issue country Sweden								
AKZO NOBEL SE FIN. 12/22	XS0809847667	2.625	0	0	1,400	109.920	1,538,885.64	0.88
ATLAS COPCO 13/23 MTN	XS0896144655	2.500	0	0	1,350	111.416	1,504,122.70	0.86
NORDEA BK 10/20 MTN	XS0520755488	4.000	0	0	1,250	112.486	1,406,076.24	0.80
SBAB BK 16/21 MTN	XS1392159825	0.500	0	0	1,500	100.897	1,513,451.96	0.87

ERSTE RESPONSIBLE BOND EURO CORPORATE

Security designation	ISIN number	Interest rate	Purch./ additions Shares/nominal (nom. in 1,000, rounded)	Sales/ disposals	Holding	Price	Value in EUR	% share of fund assets
SKF AB 15/22	XS1327531486	1.625	500	0	1,300	103.830	1,349,795.19	0.77
TELIA CO 17/78 FLR	XS1590787799	3.000	500	0	500	102.315	511,575.00	0.29
Total issue country Sweden							7,823,906.73	4.47
Issue country Spain								
ABERTIS INFRA. 16-26	ES0211845302	1.375	1,000	0	1,000	98.829	988,285.98	0.57
ENAGAS FINANC. 15/23	XS1203859415	1.000	0	0	1,300	102.100	1,327,302.56	0.76
ENAGAS FINANC. 16/28	XS1403388694	1.375	0	0	1,000	100.157	1,001,572.04	0.57
RED ELECTR. F. 15/25 MTN	XS1219462543	1.125	0	0	1,000	101.604	1,016,036.99	0.58
TELEFONICA EM. 15/21 MTN	XS1290729208	1.477	0	0	1,000	104.411	1,044,112.01	0.60
TELEFONICA EM. 17/28 MTN	XS1550951138	2.318	1,000	0	1,000	103.754	1,037,542.04	0.59
Total issue country Spain							6,414,851.62	3.67
Issue country USA								
ABBVIE 16/24	XS1520899532	1.375	1,500	0	1,500	101.813	1,527,199.52	0.87
AMGEN 16/22	XS1369278251	1.250	0	0	750	103.262	774,463.52	0.44
AT + T 15/35	XS1196380031	2.450	0	0	700	97.731	684,119.80	0.39
AVERY DENNISON 17/25	XS1533922263	1.250	800	0	800	99.178	793,423.22	0.45
BECTON,DICKINS. 16/26	XS1531347661	1.900	1,600	0	1,600	98.775	1,580,406.37	0.90
ECOLAB 16/24	XS1529859321	1.000	1,000	0	1,000	100.724	1,007,235.03	0.58
ELI LILLY 15/26	XS1240751062	1.625	1,400	0	1,400	105.597	1,478,358.00	0.85
GENL MILLS 13/20	XS0993266625	2.100	0	0	1,500	106.138	1,592,075.96	0.91
GENL MILLS 15/27	XS1223837250	1.500	450	0	1,000	101.071	1,010,707.02	0.58
MONDELEZ INTL 15/27	XS1197270819	1.625	0	0	1,500	100.054	1,500,803.94	0.86
PRAXAIR 14/25	XS1143916465	1.625	0	0	1,000	105.836	1,058,364.03	0.61
THERMO FISH.SCI. 15/20	XS1322986537	1.500	0	0	1,000	103.740	1,037,396.01	0.59
THERMO FISH.SCI. 16/28	XS1405775534	1.375	800	0	800	96.606	772,845.58	0.44
VERIZON COMM 14/31	XS1146286205	2.625	0	0	1,000	105.920	1,059,199.98	0.61
Total issue country USA							15,876,597.98	9.08
Total bonds denominated in EUR							144,426,499.39	82.58
Total securities admitted to organised markets							144,426,499.39	82.58

Breakdown of fund assets

Securities	171,181,146.25	97.87
Cash in banks	1,941,078.64	1.11
Interest entitlements	1,781,184.29	1.02
Other deferred items	-3,605.91	-0.00
Fund assets	174,899,803.27	100.00

Dividend shares outstanding	AT0000AOPHH8	shares	248,880.269
Share value for dividend share	AT0000AOPHH8	EUR	114.84
Non-dividend shares outstanding	AT0000AOPHJ4	shares	1,160,238.972
Share value for non-dividend share	AT0000AOPHJ4	EUR	125.94
KEST-exempt non-dividend shares outstanding	AT0000AOPHK2	shares	1,458.000
Share value for KEST-exempt non-dividend share	AT0000AOPHK2	EUR	130.50

1) Price contains deferred interest.

Explanation on disclosure pursuant to the Delegated Regulation (EU) No. 2016/2251 supplementing Regulation (EU) No. 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories with regard to regulatory technical standards for risk-mitigation techniques for OTC derivative contracts not cleared by a central counterparty:

All OTC derivatives are traded through Erste Group Bank AG.

Collateral in the form of cash or bonds is pledged to Erste Group Bank AG in the amount of the negative exposure of the derivatives.

EUR-denominated government bonds from the Republic of Austria and/or the Federal Republic of Germany are pledged by Erste Group Bank AG to the fund in the amount of the positive exposure of the derivatives. A one-time discount of 4% is agreed with the counterparty for this collateral. Collateral that would require a higher discount pursuant to Annex II to the Delegated Regulation (EU) No. 2016/2251 is not accepted.

Investor note:

The values of assets in illiquid markets may deviate from their actual selling prices.

Purchases and sales of securities in the reporting period not listed in the fund portfolio

Security designation	ISIN number	Interest rate	Purch./ additions	Sales/ disposals
Shares/nominal (nom. in 1,000, rounded)				
Publicly traded securities				
Bonds denominated in EUR				
Issue country Germany				
DT.PFBR.BANK MTN.35202	DE000A1RFBU5	2.000	0	700
Issue country Ireland				
GAS NETWORKS IRELD. 12/17	XS0858803066	3.625	0	1,000
Issue country Italy				
SNAM 12/18 MTN	XS0829183614	3.875	0	707
Issue country Luxembourg				
JOHN DEERE BK 11/16 MTN	XS0640936067	3.250	0	500

ERSTE RESPONSIBLE BOND EURO CORPORATE

Security designation	ISIN number	Interest rate	Purch./ additions Shares/nominal (nom. in 1,000, rounded)	Sales/ disposals
Issue country Netherlands				
LINDE FIN. 06/66 FLR	XS0259604329		0	500
Securities admitted to organised markets				
Bonds denominated in EUR				
Issue country Belgium				
AB INBEV 15/30 MTN	BE6276040431	1.500	0	1,000
Issue country Denmark				
DONG ENERGY 2015/3015 FLR	XS1227607402	3.000	0	500
Issue country Germany				
SAP SE MTN 12/19	DE000A1ROU23	2.125	0	1,500
Issue country France				
BNP PARIBAS 12/17 MTN	XS0749822556	3.000	0	800
BPCE 14/19 MTN	FR0011915321	1.375	0	1,500
BPCE 14-26 FLR	FR0012018851	2.750	0	800
KLEPIERRE 16/26 MTN	FR0013121753	1.875	0	700
RCI BANQUE 12/17 MTN	XS0775870982	4.250	0	530
SUEZ 15-UND. FLR	FR0012648590	2.500	0	1,200
TOTAL 15/UND. FLR MTN	XS1195202822	2.625	0	1,000
VALLOUREC 11/17	FR0011149947	4.250	0	1,000
Issue country Great Britain				
FCE BANK PLC 14/19 MTN	XS1035001921	1.875	0	1,000
MORRISON SUPER. 13/20 MTN	XS0945158821	2.250	0	1,200
TESCO C.TR.SERV.13/20 MTN	XS0992638220	2.125	0	1,500
VODAFONE GRP 10/22 MTN	XS0479869744	4.650	0	2,000
Issue country Netherlands				
ADECCO INTL FINL S. 13/19	XS0953093308	2.750	0	1,160
AKZO NOBEL 16/26 MTN	XS1391625289	1.125	0	500
KON. KPN 09/19 MTN	XS0411850075	7.500	0	900
REPSOL INTL F. 15/75 FLR	XS1207058733	4.500	0	2,000
SIEMENS FINANC. 06/66 FLR	XS0266838746		0	1,500
SNS BANK NV 11/16 MTN	XS0714735890	6.625	0	400

Security designation	ISIN number	Interest rate	Purch./ additions Shares/nominal (nom. in 1,000, rounded)	Sales/ disposals
Issue country Norway				
DNB BANK 12/22 FLR MTN	XS0754846235	4.750	600	1,300
Issue country Austria				
EVN AG 11/22 MTN	XS0690623771	4.250	0	1,000
UNICR.BK AUS. 13/18 MTN	XS0881544281	2.625	0	2,000
Issue country Sweden				
ENERGA FIN. 13/20 MTN	XS0906117980	3.250	0	1,000
Issue country Slovenia				
TELEK.SLOVEN.BEARER 09/16	XS0473928371	4.875	0	700
Issue country Spain				
RED ELECTR. F. 16/26 MTN	XS1395060491	1.000	0	500
Issue country USA				
KELLOGG CO. 16/24	XS1410417544	1.000	1,000	1,000
MCDONALDS CORP. 12/24 MTN	XS0857662448	2.375	0	1,000
RELX CAPITAL INC. 15/25	XS1231027464	1.300	0	1,200
VERIZON COMM 14/24	XS1146282634	1.625	0	1,000
Unlisted securities				
Bonds denominated in EUR				
Issue country USA				
AB INBEV 12/20 MTN	XS0862091955	1.875	0	1,500

Vienna, 18 July 2017

ERSTE-SPARINVEST Kapitalanlagegesellschaft m.b.H.
Electronically signed

Inspection information:
Note:

The electronic signatures in this document can be inspected at www.signaturpruefung.gv.at.
This document was signed with two qualified electronic signatures. A qualified electronic signature fulfils the legal requirements of a hand-written signature, and in particular the requirements of the written form as defined in § 886 ABGB (§ 4 [1] Austrian Signature Act [Signaturgesetz]).

Auditor's Opinion*

Statement on the annual report

Audit opinion

We have audited the annual report prepared by ERSTE-SPARINVEST Kapitalanlagegesellschaft m.b.H., Vienna, for the fund under its management

ERSTE RESPONSIBLE BOND EURO CORPORATE
mutual fund pursuant to the InvFG,

consisting of the fund portfolio as of 30 April 2017, the income statement for the financial year ending on this date, and the other information specified in Annex I Scheme B of the Austrian Investment Fund Act 2011 (InvFG 2011).

Based on the findings of our audit, we believe that the annual report satisfies the legal requirements and provides a true and fair view of the assets and financial position as of 30 April 2017 and of the earnings position of the fund for the financial year ending on this date in accordance with Austrian commercial law and the provisions of the InvFG 2011.

Basis for the audit opinion

We conducted our audit in accordance with § 49 (5) InvFG 2011 and in accordance with the Austrian principles of good auditing. These principles require the application of the International Standards on Auditing (ISA). Our responsibilities under these regulations and standards are described in the section "Responsibilities of the auditor in auditing the annual report" of our opinion. We are independent from the company as specified by the Austrian commercial and industry regulations and fulfilled our other professional obligations in accordance with these requirements. We feel that the audit evidence that we obtained is sufficient and suitable to serve as a basis for our audit opinion.

Management and supervisory board responsibilities relating to the annual report

The legal representatives are responsible for preparing the annual report and for ensuring that this report provides a true and fair view of the assets and financial and earnings position of the fund in accordance with Austrian commercial law and the provisions of the InvFG 2011. The legal representatives are also responsible for implementing the internal controls that they deem necessary to facilitate the preparation of an annual report that is free from material misstatements due to error or fraud.

The supervisory board is responsible for monitoring the accounting process of the company as it applies to the fund under its management.

Responsibilities of the auditor in auditing the annual report

Our goals are to ascertain with sufficient certainty whether the annual report contains material misstatements due to error or fraud and to issue a statement that includes our audit opinion. Sufficient certainty is a high degree of certainty but no guarantee that an audit conducted in accordance with the Austrian standards on good auditing, which require the application of the ISA, will always discover material misstatements that may be present. Misstatements can result from fraud or errors and are considered to be material when it can be reasonably expected that individual misstatements or a combination of misstatements can influence economic decisions made by readers on the basis of this annual report.

As part of an audit conducted in accordance with the Austrian standards on good auditing, which require the application of the ISA, we exercise professional judgement and maintain professional scepticism during the entire audit process.

In addition:

- We identify and assess the risks of material misstatements in the annual report due to error or fraud, plan audit steps in response to these risks, perform the planned audit steps, and collect audit evidence that is sufficient and suitable to form a basis for our audit opinion. The risk that a material misstatement resulting from fraud will remain undiscovered is greater than for misstatements resulting from error because fraudulent activity can include collusion, the falsification of documents, intentional incomplete or misleading representations, and the circumvention of internal controls.
- We familiarise ourselves with the internal control systems that are relevant for the audit to plan audit steps that are appropriate under the specific circumstances, but not so as to state an opinion on the effectiveness of the company's internal control system.
- We assess the appropriateness of the accounting methods applied by the legal representatives and the reasonableness of the estimates made by the legal representatives in the accounts and of the associated information.
- We assess the overall presentation, the structure, and the content of the annual report including the figures as well as whether the annual report depicts the underlying transactions and events in a manner that provides a true and fair view.
- We discuss the planned scope and scheduling of the audit and any material audit findings, including material defects that we discover in the internal control system during our audit, with the supervisory board, among other issues.

Other information

The legal representatives are responsible for the other information. The other information includes all information in the annual report except for the fund portfolio, the income statement, the other information specified in Annex I Scheme B of the InvFG 2011, and the auditor's opinion.

Our audit opinion does not cover this other information, and we provide no assurance whatsoever for this other information.

In connection with our audit of the annual report, it is our responsibility to read this other information and to consider whether there are material discrepancies between the other information and the annual report or the information gathered by us during our audit, or if this other information appears materially incorrect in some other manner. If we come to the conclusion on the basis of our audit steps that the other information is materially incorrect, we are obligated to report this. We have nothing to report in this regard.

Vienna, 18 July 2017

ERNST & YOUNG

WIRTSCHAFTSPRÜFUNGSGESELLSCHAFT m.b.H

Mag. Friedrich O. Hief
(Certified Public
Accountant)

ppa MMag. Roland Unterweger
(Certified Public Accountant)

* In the case of the publication or dissemination of the annual report in a form that deviates from the confirmed (unabridged German) version (e.g. an abridged version or translation), reference may not be made to the auditor's opinion or our audit without our approval.

Fund Terms and Conditions for ERSTE RESPONSIBLE BOND EURO CORPORATE

Mutual fund pursuant to the InvFG

The Fund Terms and Conditions for ERSTE RESPONSIBLE BOND EURO CORPORATE, mutual fund pursuant to the Austrian Investment Fund Act (Investmentfondsgesetz; InvFG) 2011 as amended, were approved by the Austrian Financial Market Authority (FMA).

The Fund conforms with the guidelines for special assets and is managed by ERSTE-SPARINVEST Kapitalanlagegesellschaft m.b.H. (the "Management Company" in the following), which is domiciled in Vienna.

Article 1 Fund Shares

The partial ownership of the fund assets is evidenced by certificates having the characteristics of a bearer share.

The share certificates are depicted in global certificates. For this reason, individual share certificates cannot be issued.

Article 2 Custodian Bank (Depositary Bank)

The custodian bank (depositary) appointed for the Fund is Erste Group Bank AG, Vienna.

The payment offices for share certificates are the custodian bank (depositary) or other payment offices mentioned in the prospectus.

Article 3 Investment Instruments and Principles

The following assets may be selected for the Fund in accordance with the InvFG.

The Fund invests primarily, in other words at least 51% of its assets, in EUR-denominated corporate bonds from issuers domiciled in Europe; the bonds must be in the investment grade (or other comparable) segment in terms of ratings assigned by recognised rating agencies (primarily Standard & Poor's), in the form of directly purchased instruments, in other words not indirectly or directly through investment funds or derivatives.

Bonds will primarily be purchased that have been issued by corporations operating according to business policies that are based on sustainable principles. The exclusion criteria include atomic energy (especially the manufacture of the components of the reactor core and the sale of the generated energy), the manufacture of genetically manipulated seed, child labour (in the form of the knowing use of child labour to maximise profits), proven (major) manipulation of business dealings or conditions (such as balance sheet fraud), pornography (producers and specialised dealers aside from conventional retail), armaments/weapons (manufacturers of military arms, or in particular special atomic, biological and chemical weapons), tobacco (manufacturers), and unnecessary animal testing.

Investments in the following areas are generally considered unattractive and receive a penalty during assessment: abortion (dedicated abortion clinics are precluded), the exploitation of the environment, employees and society (including large-scale socially and ecologically controversial projects), discrimination against women and minorities, restrictions against the press and freedom of opinion, genetic engineering (manipulation of the germ line and experiments on embryos are criteria for exclusion), the oil industry, and furs (breeding and trading, especially regarding endangered species).

Positive criteria for the Fund pertain to working conditions (regarding protection against dismissal and social standards), education promotion, corporate governance (company orientation towards the interests of its stakeholders and public reporting), energy and water consumption (reduction thereof, conservation), renewable energy sources (focus on renewable energy sources as opposed to the oil industry), low levels of environmental pollution, medical services/healthcare, sparing resource use (excellent ecological efficiency values), leadership in environmental technologies and water treatment.

The fund assets are invested in the following investment instruments in accordance with the investment focus described above.

a) Securities

Securities (including securities with embedded derivative financial instruments) comprise at least 51% of the fund assets.

b) Money market instruments

Money market instruments may comprise up to 49% of the fund assets.

c) Securities and money market instruments

The Fund may purchase securities and money market instruments that are not fully paid up as well as subscription rights for these types of instruments and other financial instruments that are not fully paid up amounting to a maximum of 10% of the fund assets.

Securities and money market instruments may only be purchased for the Fund when they meet the criteria regarding listing or trading on a regulated market or a securities exchange pursuant to the InvFG.

Securities and money market instruments that do not meet the criteria described in the previous paragraph may comprise up to 10% of the fund assets in total.

d) Shares in investment funds

Shares in investment funds (UCITS, UCI) may each comprise up to 10% of the fund assets and may comprise up to 10% in aggregate total, provided that the target funds themselves (UCITS, UCI) do not invest more than 10% of their fund assets in shares of other investment funds.

e) Derivative financial instruments

Derivative financial instruments can be used for hedging purposes and as part of the investment strategy, and may comprise up to 35% of the fund assets.

f) Risk measurement method(s) of the fund

The Fund applies the following risk measurement methods: Commitment approach

The commitment value is determined according to § 3 of the 4th FMA Regulation on Risk Calculation and Reporting of Derivative Instruments (4. Derivate-Risikoberechnungs- und MeldeV).

Please refer to the prospectus for detailed information.

g) Demand deposits or callable deposits

Demand deposits and callable deposits with a maximum term of 12 months may comprise up to 49% of the fund assets.

There are no minimum deposit requirements.

However, in the course of the restructuring of the fund portfolio and/or in the case of the justified assumption of impending losses experienced by securities, the Fund can hold a lower proportion of securities and a higher proportion of demand deposits or callable deposits with a maximum term of 12 months.

h) Acceptance of short-term loans

The Management Company may accept short-term loans for the account of the Fund up to an amount of 10% of the total fund assets.

i) Repurchase agreements

Repurchase agreements may comprise up to 30% of the fund assets.

j) Securities lending

Does not apply.

Further information regarding article 3 can be found in the prospectus.

Article 4 Issue and Return Procedure

The share value shall be calculated in EUR.

The share value is calculated at the same time as the issue and return price.

Issue of shares and issue premium

The issue price will be calculated and shares issued on every exchange trading day.

The issue price shall be made up of the share value plus a premium per share amounting to up to 3.5% to cover the costs incurred by the Management Company in issuing the share, rounded up to the next cent.

There is no limit on the issue of shares in principle. However, the Management Company reserves the right to temporarily or permanently suspend the issue of share certificates.

Return of shares and return fee

The return price will be calculated and shares redeemed on every exchange trading day.

The return price is the share value rounded down to the next cent. No return fee will be charged.

Upon request by the Shareholder, his shares shall be redeemed at the current return price in return for the share certificate.

Article 5 Financial Year

The financial year of the Fund is from 1 May to 30 April.

Article 6 Share Classes and Use of Earnings

The Fund features three different share classes and the corresponding certificates: dividend shares, non-dividend shares with capital gains tax withholding, and non-dividend shares without capital gains tax withholding, with certificates being issued for one share each and also for fractional shares.

Use of earnings for dividend shares

The earnings generated during the financial year (interest and dividends) less all costs can be distributed as deemed appropriate by the Management Company. Dividend disbursement may be suspended taking the interests of the Shareholders into account. Dividends may also be paid at the discretion of the Management Company from earnings generated by the sale of fund assets, including subscription rights. Fund assets may be paid out in the form of dividends and interim dividends.

The fund assets may not fall below the legally stipulated minimum volume for termination after dividend payments in any case.

The amounts shall be paid to the holders of dividend shares on or after 1 August of the following financial year. The remaining amount shall be carried forward.

An amount calculated in accordance with the InvFG must also be paid out on or after 1 August to cover the capital gains tax assessed by the tax authorities on the dividend-equivalent earnings from the fund shares unless the Management Company provides suitable proof from the banks managing the corresponding securities accounts that the share certificates can only be held by Shareholders who are not subject to Austrian personal or corporate income tax or who meet the conditions for exemption from capital gains tax according to § 94 of the Austrian Income Tax Act (Einkommensteuergesetz) at the time of payment.

Use of earnings for non-dividend shares with capital gains tax withholding

The earnings generated by the Fund during the financial year less all costs will not be paid out. In the case of non-dividend shares, an amount calculated in accordance with the InvFG must be paid out on or after 1 August to cover the capital gains tax assessed by the tax authorities on the dividend-equivalent earnings from the fund shares unless the Management Company provides suitable proof from the banks managing the corresponding securities accounts that the share certificates can only be held by Shareholders who are not subject to Austrian personal or corporate income tax or who meet the conditions for exemption from capital gains tax according to § 94 of the Austrian Income Tax Act (Einkommensteuergesetz) at the time of payment.

Use of earnings for non-dividend shares without capital gains tax withholding (KESt-exempt non-dividend domestic and foreign tranche)

The earnings generated by the Fund during the financial year less all costs will not be paid out. No payment pursuant to the InvFG will be made. The reference date for the exemption from KESt payment for the profit for the year for the purposes of the InvFG shall be 1 August of the following financial year.

The Management Company shall provide suitable proof from the banks managing the corresponding securities accounts that the share certificates can only be held by Shareholders who are not subject to Austrian personal or corporate income tax or who met the conditions for exemption from capital gains tax according to § 94 EStG at the time of payment.

If these requirements are not met at the time of payment, the amount calculated pursuant to the InvFG must be paid out by the bank managing the respective securities account in the form of an account credit.

Article 7 Management Fee, Compensation for Expenses, Liquidation Fee

The Management Company shall receive an annual fee for its administrative activities amounting to up to 0.6% of the fund assets, which shall be accrued on a daily basis and calculated using the month-end values adjusted for the accrued fees.

The Management Company shall be entitled to compensation for all expenses incurred in the administration of the Fund.

The custodian bank shall receive a fee in the amount of 0.5% of the fund assets upon liquidation.

Further information can be found in the prospectus.

Annex to the Fund Terms and Conditions

List of exchanges with official trading and organised markets

(As of February 2012)

1. Exchanges with official trading and organised markets in the Member States of the EEA

According to Article 16 of Directive 93/22/EC (Investment Services Directive), every Member State must maintain a current list of the authorised markets within its territory. This list must be submitted to the other Member States and the Commission.

According to this provision, the Commission is required to publish a list of the regulated markets registered with it by the Member States once per year.

Because of lower entry barriers and specialisation in different trading segments, the list of "regulated markets" is subject to significant changes. For this reason, the Commission will publish an up-to-date version of the list on its official web site in addition to the annual publication of a list in the Official Journal of the European Union.

1.1. The currently valid list of regulated markets can be found at

http://mifidatabase.esma.europa.eu/Index.aspx?sectionlinks_id=23&language=0&pageName=REGULATED_MARKETS_Display&subsection_id=0 *)

under "Verzeichnis der Geregelten Märkte (pdf)" (List of Regulated Markets).

1.2. The following exchanges are included in the list of regulated markets:

1.2.1 Luxembourg: Euro MTF Luxembourg

1.3. Recognised markets in the EEA according to § 67 (2) 2 InvFG:

Markets in the EEA that have been classified as recognised markets by the respective supervisory authorities.

2. Exchanges in European countries outside of the EEA

- | | | |
|------|-------------------------|---|
| 2.1. | Bosnia and Herzegovina: | Sarajevo, Banja Luka |
| 2.2. | Croatia: | Zagreb Stock Exchange |
| 2.3. | Montenegro: | Podgorica |
| 2.4. | Russia: | Moscow (RTS Stock Exchange), Moscow Interbank Currency Exchange (MICEX) |
| 2.5. | Switzerland: | SWX Swiss Exchange |
| 2.6. | Serbia: | Belgrade |
| 2.7. | Turkey: | Istanbul (only "National Market" on the stock market) |

3. Exchanges in non-European countries

- | | | |
|-------|-----------------------|---|
| 3.1. | Australia: | Sydney, Hobart, Melbourne, Perth |
| 3.2. | Argentina: | Buenos Aires |
| 3.3. | Brazil: | Rio de Janeiro, Sao Paulo |
| 3.4. | Chile: | Santiago |
| 3.5. | China: | Shanghai Stock Exchange, Shenzhen Stock Exchange |
| 3.6. | Hong Kong: | Hong Kong Stock Exchange |
| 3.7. | India: | Bombay |
| 3.8. | Indonesia: | Jakarta |
| 3.9. | Israel: | Tel Aviv |
| 3.10. | Japan: | Tokyo, Osaka, Nagoya, Kyoto, Fukuoka, Niigata, Sapporo, Hiroshima |
| 3.11. | Canada: | Toronto, Vancouver, Montreal |
| 3.12. | Colombia: | Bolsa de Valores de Colombia |
| 3.13. | Korea: | Korea Exchange (Seoul, Busan) |
| 3.14. | Malaysia: | Kuala Lumpur, Bursa Malaysia Berhad |
| 3.15. | Mexico: | Mexico City |
| 3.16. | New Zealand: | Wellington, Christchurch/Invercargill, Auckland |
| 3.17. | Philippines: | Manila |
| 3.18. | Singapore: | Singapore Stock Exchange |
| 3.19. | South Africa: | Johannesburg |
| 3.20. | Taiwan: | Taipei |
| 3.21. | Thailand: | Bangkok |
| 3.22. | USA: | New York, American Stock Exchange (AMEX), New York Stock Exchange (NYSE), Los Angeles/Pacific Stock Exchange, San Francisco/Pacific Stock Exchange, Philadelphia, Chicago, Boston, Cincinnati |
| 3.23. | Venezuela: | Caracas |
| 3.24. | United Arab Emirates: | Abu Dhabi Securities Exchange (ADX) |

4. Organised markets in countries outside of the European Community

- | | | |
|------|--------------|--|
| 4.1. | Japan: | over the counter market |
| 4.2. | Canada: | over the counter market |
| 4.3. | Korea: | over the counter market |
| 4.4. | Switzerland: | SWX Swiss Exchange, BX Berne eXchange; over the counter market of the members of the International Capital Market Association (ICMA), Zurich |
| 4.5. | USA: | over the counter market in the NASDAQ system, over the counter market (markets organised by NASD such as the over the counter equity market, municipal bond market, government securities market, corporate bonds and public direct participation programs), over the counter market for agency mortgage-backed securities |

5. Exchanges with futures and options markets

- | | | |
|-------|---------------|--|
| 5.1. | Argentina: | Bolsa de Comercio de Buenos Aires |
| 5.2. | Australia: | Australian Options Market, Australian Securities Exchange (ASX) |
| 5.3. | Brazil: | Bolsa Brasileira de Futuros, Bolsa de Mercadorias & Futuros, Rio de Janeiro Stock Exchange, Sao Paulo Stock Exchange |
| 5.4. | Hong Kong: | Hong Kong Futures Exchange Ltd. |
| 5.5. | Japan: | Osaka Securities Exchange, Tokyo International Financial Futures Exchange, Tokyo Stock Exchange |
| 5.6. | Canada: | Montreal Exchange, Toronto Futures Exchange |
| 5.7. | Korea: | Korea Exchange (KRX) |
| 5.8. | Mexico: | Mercado Mexicano de Derivados |
| 5.9. | New Zealand: | New Zealand Futures & Options Exchange |
| 5.10. | Philippines: | Manila International Futures Exchange |
| 5.11. | Singapore: | The Singapore Exchange Limited (SGX) |
| 5.12. | Slovakia: | RM System Slovakia |
| 5.13. | South Africa: | Johannesburg Stock Exchange (JSE), South African Futures Exchange (SAFEX) |
| 5.14. | Switzerland: | EUREX |
| 5.15. | Turkey: | TurkDEX |
| 5.16. | USA: | American Stock Exchange, Chicago Board Options Exchange, Chicago Board of Trade, Chicago Mercantile Exchange, Comex, FINEX, Mid America Commodity Exchange, ICE Future US Inc. New York, Pacific Stock Exchange, Philadelphia Stock Exchange, New York Stock Exchange, Boston Options Exchange (BOX) |

*) To open the list, click "view all". [The list can be found on the FMA's web site by going to: <http://www.fma.gv.at/de/unternehmen/boerse-wertpapierhandel/boerse.html> – scroll down – link to "Liste der geregelten Märkte (MiFID Database; ESMA)" – "view all"]



Confirmation regarding securities lending transactions, repurchase transactions, and total return swaps

No securities lending transactions, repurchase transactions, or total return swaps were executed for ERSTE RESPONSIBLE BOND EURO CORPORATE, mutual fund pursuant to the InvFG, during the previous reporting period.

Note regarding the data used

The sections Income Statement and Changes in Fund Assets, Fund Portfolio, and Tax Treatment in this annual report were prepared on the basis of data from the custodian bank for the Fund.

The data and information provided by the custodian bank were collected with the greatest possible care and were checked solely for plausibility.

Unless indicated otherwise, source: ERSTE-SPARINVEST Kapitalanlagegesellschaft m.b.H. Our languages of communication are German and English. Both the full prospectus and the simplified prospectus as well as the Key Investor Information (and any applicable changes to these documents) were published in Amtsblatt zur Wiener Zeitung in accordance with the provisions of the InvFG 2011 in the currently amended version and are available for free at the domicile of the Investment Firm and at the head office of the custodian bank. The exact date of the most recent publication, the languages in which the simplified prospectus and the Key Investor Information are available, and any additional locations where the documents can be obtained can be viewed on the web site www.erste-am.at.

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