

# **ERSTE RESPONSIBLE RESERVE**

**Mutual fund pursuant to the InvFG**

Annual Report 2016/17

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The Austrian Investment Fund Act (Investmentfondsgesetz [InvFG]) 2011 has been in effect since 1 September 2011. Some of the provisions and legal references in the annual report still refer to the InvFG 1993.

This also applies to the Fund Terms and Conditions, which were approved on the basis of the legal conditions valid at the time of authorisation.

## General Information about the Investment Firm

<b>The company</b>	ERSTE-SPARINVEST Kapitalanlagegesellschaft m. b. H. Am Belvedere 1, A-1100 Vienna Telephone: +43 05 0100-19881, Fax: +43 05 0100-17102
<b>Nominal capital</b>	EUR 4.50 million
<b>Shareholders</b>	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%)
<b>Supervisory Board</b>	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 SCHAUFLE, Mag. (FH) (from 10 February 2016) Reinhard WALT, Mag. Appointed by the Works Council: Martin CEC (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)
<b>Managing directors</b>	Heinz BEDNAR, Mag. Markus KALLER, Mag. (from 1 April 2016 to 31 January 2017) Günther MANDL Christian SCHÖN
<b>Prokuristen (proxies)</b>	Magdalena ARNEZEDER, Mag. (from 1 July 2016) Achim ARNHOF, Mag. Karl BRANDSTÖTTER, Mag. (until 3 February 2017) Winfried BUCHBAUER, Mag. Karl FREUDENSCHUSS Dietmar JAROSCH, Dr. Manfred LENTNER Gerold PERMOSER, Mag. Jürgen SINGER, Mag.
<b>State commissioners</b>	Erwin GRUBER Michael MANHARD, HR Dr.
<b>Auditor</b>	ERNST & YOUNG WIRTSCHAFTSPRÜFUNGSGESELLSCHAFT MBH
<b>Custodian bank</b>	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](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 RESERVE mutual fund pursuant to the InvFG for the period from 1 February 2016 to 31 January 2017.

## **Development of the Fund**

The capital markets were again driven in large part by the expansive monetary policies during the reporting period. Inflation rates remained low despite stimulating measures by the central banks, though commodity prices rose substantially in annual comparison. The extended 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, supported bonds in the Eurozone. Capital market yields fell during the reporting period, in many cases into negative territory. In addition to government bonds, some corporate bonds with good ratings also had negative yields. Subordinated corporate bonds and bonds with low ratings saw their risk premiums decline in part substantially. Europe's peripheral countries also saw good value development for the most part. Investor demand is still high, and many new corporate bond issues are oversubscribed multiple times as a result. Industrial companies and financial service providers continued to issue large volumes of paper. The ECB left its key rate unchanged during the reporting period while the Fed implemented a further 0.25% hike in December after waiting for a year.

Currencies in developed industrialised countries were in part highly volatile. While the GBP weakened considerably after the Brexit vote, other G-10 currencies such as the USD, NOK, and AUD were firmer against the EUR. Commodities continued to recover for the most part.

ERSTE RESPONSIBLE RESERVE is a near-money-market bond fund that predominantly invests in euro-denominated investment grade bonds with short remaining terms to maturity and variable interest rates (minimum rating BBB-/Baa3). It focuses on OECD-domiciled bonds from industrial companies, financial services providers, covered bonds, government bonds, and bonds from quasi-governmental entities with an average overall portfolio rating of A-. The fund invests solely in issuers that facilitate socially and environmentally appropriate production processes. ERSTE RESPONSIBLE RESERVE 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 CSR/SRI input data. This process includes the support of an advisory board for feedback from the individual stakeholders and collaboration with three ESG research agencies. An investment committee combines sustainability and financial know-how.

The fund's interest rate duration is kept low at all times and varied between 1.0 and 1.6 years during the reporting period. Because of the extremely low and often negative interest rates, the duration of the fund was increased slightly over the reporting period. In regional terms, the portfolio focuses on issuers from Austria, Germany, France, the UK, and the USA. If appropriate, the fund can also invest in funds that are in line with the investment principles as well as in time deposits. USD-, NOK- and AUD-denominated bonds are included to a limited extent for diversification purposes, with foreign-currency holdings being limited to 10%. Because of the attractive market conditions, numerous industrial and financial bonds were bought on the primary market and secondary market during the reporting period. The share of floating rate notes with interest rates linked to the three-month Euribor was also increased slightly.

Derivative financial instruments:

ERSTE RESPONSIBLE RESERVE held no derivative financial instruments during the reporting period.

The fund delivered a positive performance of 1.23%.

## 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 <sup>th</sup> 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

	31 January 2017		31 January 2016	
	EUR millions	%	EUR millions	%
Bonds denominated in				
AUD	2.1	1.13	3.0	2.45
EUR *	167.1	88.83	107.3	86.74
NOK	3.4	1.81	3.3	2.65
USD	1.8	0.97	-	-
Securities	174.4	92.75	113.6	91.84
Cash in banks	12.6	6.68	9.3	7.48
Interest entitlements	1.1	0.57	0.8	0.68
Other deferred items	-	0.0	-	-
<b>Fund assets</b>	<b>188.1</b>	<b>100.00</b>	<b>123.7</b>	<b>100.00</b>

\* See also the footnote under Fund Portfolio.

## Comparative Overview (in EUR)

Financial year	Fund assets	Dividend shares		Non-dividend shares			Value development in per cent 1)
		Calculated value per share	Dividend disbursement	Calculated value per share	Reinvested earnings	Payment in accordance with § 58 (2) InvFG	
2011/12	49,932,334.27	96.97	2.97	111.27	3.64	0.85	+ 2.06
2012/13	39,960,766.38	97.32	2.00	114.27	2.68	0.79	+ 3.49 2)
2013/14	82,105,040.10	96.09	1.50	114.39	1.31	0.44	+ 0.80
2014/15	79,209,843.77	96.35	1.15	116.06	1.04	0.34	+ 1.85
2015/16	123,738,558.24	94.90	0.70	115.36	0.67	0.25	- 0.32 2)
2016/17	188,060,951.62	95.36	0.5000	116.51	0.5411	0.2053	+ 1.23 2)

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

2) The development of the value of non-dividend shares varies slightly from that of dividend shares because of rounding effects.

## Disbursement/payment

The following disbursement or payment will be made for the financial year from 1 February 2016 to 31 January 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 2 May 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	AT0000A03951	EUR	0.5000	0.1680	0.1680	-
Non-dividend shares	AT0000A03969	EUR	0.2053	0.2053	0.2053	0.5411

## 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

<b>AT0000A03951 dividend shares EUR</b>	
Share value at the beginning of the reporting period (239,332.600 shares)	94.90
Disbursement/payment on 28.04.2016 (corresponds to roughly 0.0074 shares at a calculated value of 94.70)	0.7000
Share value at the end of the reporting period (389,011.354 shares)	95.36
Total value including (notional) shares gained through dividend disbursement/payment	96.06
Net earnings per share	1.16
<b>Value development of one share in the period</b>	<b>1.23%</b>

<b>AT0000A03969 non-dividend shares EUR</b>	
Share value at the beginning of the reporting period (875,718.242 shares)	115.36
Disbursement/payment on 28.04.2016 (corresponds to roughly 0.0022 shares at a calculated value of 115.71)	0.2500
Share value at the end of the reporting period (1,295,631.313 shares)	116.51
Total value including (notional) shares gained through dividend disbursement/payment	116.76
Net earnings per share	1.40
<b>Value development of one share in the period</b>	<b>1.22%</b>



## **2. Fund Result**

### **a. Realised fund result**

#### **Ordinary fund result**

##### **Income (without profit or loss from price changes)**

Interest income (excluding income adjustment)	1,993,457.87	
Dividend income	0.00	
Other income 8)	0.00	
Total income (without profit or loss from price changes)		1,993,457.87

<b>Interest paid</b>		- 10,934.06
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##### **Expenses**

Fees paid to Investment Firm	- 370,854.99	
Costs for the financial auditor and tax consultation	- 5,536.00	
Publication costs	- 57,243.17	
Securities account fees	- 47,738.23	
Custodian bank fees	- 29,668.40	
Costs for the external consultant	0.00	
Total expenses		- 511,040.79
Compensation for management costs from sub-funds 1)		0.00

<b>Ordinary fund result (excluding income adjustment)</b>		<b>1,471,483.02</b>
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#### **Realised profit or loss from price changes 2) 3)**

Realised gains 4)	96,461.43	
Realised losses 5)	- 526,742.00	

<b>Realised profit or loss from price changes (excluding income adjustment)</b>		<b>- 430,280.57</b>
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<b>Realised fund result (excluding income adjustment)</b>		<b>1,041,202.45</b>
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### **b. Unrealised profit or loss from price changes 2) 3)**

Changes in the unrealised profit or loss from price changes 7)		700,908.19
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<b>Result for the reporting period 6)</b>		<b>1,742,110.64</b>
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### **c. Income adjustment**

Income adjustment for income in the period	163,459.50	
Income adjustment for profit carried forward from dividend shares	355,457.37	

<b>Overall fund result</b>		<b>2,261,027.51</b>
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### 3. Changes in Fund Assets

<b>Fund assets at the beginning of the reporting period</b>	<b>123,738,558.24</b>
<b>Disbursement/payment in the financial year</b>	<b>- 425,918.36</b>
<b>Issue and return of shares</b>	<b>62,487,284.23</b>
<b>Overall fund result</b>	
(The fund result is shown in detail under item 2.)	<b>2,261,027.51</b>
<b>Fund assets at the end of the reporting period</b>	<b>188,060,951.62</b>

- 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 270,627.62.
- 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 11,405.53.
- 7) Thereof changes in unrealised gains EUR 730,494.92 and unrealised losses EUR -29,586.73.
- 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 31 January 2017

(including changes in securities assets from 1 February 2016 to 31 January 2017)

Security designation	ISIN number	Interest rate	Purch./ additions	Sales/ disposals	Holding	Price	Value in EUR	% share of fund assets
Publicly traded securities								
Bonds denominated in EUR								
Issue country Denmark								
DANSKE BK 14/18 FLR MTN	XS1139303736	0.038000	0	0	1,000	100.440000	1,004,400.00	0.53
DANSKE BK 16/21 MTN	XS1390245329	0.500000	1,400	0	1,400	100.783600	1,410,970.40	0.75
Total							2,415,370.40	1.28
Issue country Germany								
DT.KREDITBANK IS. 16/21	DE000GRN0008	0.625000	1,400	0	1,400	100.899002	1,412,586.03	0.75
DT.PFBR.BANK MTN.35224	DE000A1X26E7	2.250000	554	0	1,854	101.316000	1,878,398.64	1.00
DT.PFBR.BANK MTN.35254	DE000A13SWH9	1.125000	1,000	0	1,000	101.431900	1,014,319.00	0.54
LAND NRW TREAS.12 R1225	DE000NRW21B0	0.875000	0	0	600	101.115000	606,690.00	0.32
NORDLB MTN 15/18	DE000NLB8G16	0.625000	0	0	1,500	100.832397	1,512,485.96	0.80
Total							6,424,479.63	3.42
Issue country Finland								
CT.BK.SAV.BKS 16/18FLRMTN	XS1350852866	0.422000	2,000	0	2,000	100.145300	2,002,906.00	1.07
Total							2,002,906.00	1.07
Issue country France								
BNP PARIBAS 07/17	FR0010517334	5.200000	0	0	1,465	103.240000	1,512,466.00	0.80
BPCE S.A. 08/18	FR0010576454	4.550000	0	0	1,620	104.218903	1,688,346.23	0.90
CRED.FONC.FR. 12/18	FR0011178938	4.250000	196	0	1,696	104.314903	1,769,180.75	0.94
RCI BANQUE 16-19 FLR MTN	FR0013221652	0.237000	2,000	0	2,000	100.109900	2,002,198.00	1.06
Total							6,972,190.98	3.71
Issue country Great Britain								
SKY PLC 15/20 FLR MTN	XS1212467911	0.431000	500	0	1,750	101.175000	1,770,562.50	0.94
WPP FINANCE 15/19 MTN	XS1321974740	0.750000	500	0	1,750	101.807602	1,781,633.04	0.95
Total							3,552,195.54	1.89
Issue country Ireland								
AQUARIUS+INVTS 14/17 FLR	XS1069860374	0.188000	0	0	1,200	100.090000	1,201,080.00	0.64
CRH FINANCE 12/19 MTN	XS0736488585	5.000000	0	0	800	109.785400	878,283.20	0.47
FCA CAP.IRE. 16/21 MTN	XS1435295925	1.250000	1,200	0	1,200	101.044296	1,212,531.55	0.64
GERMAN POSTAL PEN.05/21 C	XS0222474339	3.750000	1,500	0	1,500	114.449402	1,716,741.03	0.91
Total							5,008,635.78	2.66

Security designation	ISIN number	Interest rate	Purch./ additions	Sales/ disposals	Holding	Price	Value in EUR	% share of fund assets
Shares/nominal (nom. in 1,000, rounded)								
<b>Issue country Italy</b>								
INTESA SAN.05/17 FLR MTN	XS0213927667	0.000000	0	0	1,000	100.007300	1,000,073.00	0.53
TERNA R.E.N. 12/17 MTN	XS0747771128	4.125000	0	0	113	100.175000	113,197.75	0.06
Total							1,113,270.75	0.59
<b>Issue country Luxembourg</b>								
JOHN DEERE BK16/20 MTNFLR	XS1398275112	0.021000	1,100	0	1,100	100.285000	1,103,135.00	0.59
SUS BEE FIN. 14/17	XS1151620801	3.625000	0	0	1,000	87.897923	878,979.23	0.47
Total							1,982,114.23	1.05
<b>Issue country Netherlands</b>								
ABN AMRO BANK 10-17	NL0009411677 1)	3.000000	0	0	700	102.747000	714,154.00	0.38
Total							714,154.00	0.38
<b>Issue country Norway</b>								
DNB BOLIGKRED. 16/21 MTN	XS1344745481	0.375000	0	0	1,800	101.389999	1,825,019.98	0.97
SANTANDER C.BK. 16/19 MTN	XS1496344794	0.250000	700	0	700	99.975601	699,829.21	0.37
Total							2,524,849.19	1.34
<b>Issue country Sweden</b>								
ALFA TREAS. 14/19 FLR MTN	XS1108681625	0.232000	0	0	1,500	100.400000	1,506,000.00	0.80
NORDEA BK 16/19 FLR MTN	XS1368469570	0.137000	1,500	0	1,500	100.670000	1,510,050.00	0.80
SBAB 16/19 FLR MTN	XS1390058722	0.181000	1,500	0	1,500	100.599000	1,508,985.00	0.80
SKAND. ENSK. 16/20 FLR MTN	XS1419638215	0.286000	1,500	0	1,500	101.345000	1,520,175.00	0.81
Total							6,045,210.00	3.21
<b>Issue country Spain</b>								
SANTDR CONS.FIN.16/19 MTN	XS1385935769	0.750000	1,300	0	1,300	101.110497	1,314,436.46	0.70
Total							1,314,436.46	0.70
Total bonds denominated in EUR							40,069,812.96	21.31
<b>Bonds denominated in NOK</b>								
<b>Issue country Norway</b>								
OSLO 10-18	N00010589674	4.350000	0	0	14,000	105.491100	1,660,953.94	0.88
Total							1,660,953.94	0.88
Total bonds denominated in NOK translated at a rate of 8.891730							1,660,953.94	0.88
Total publicly traded securities							41,730,766.90	22.19

## ERSTE RESPONSIBLE RESERVE

Security designation	ISIN number	Interest rate	Purch./ additions	Sales/ disposals	Holding	Price	Value in EUR	% share of fund assets
Securities admitted to organised markets								
Bonds denominated in AUD								
Issue country Australia								
A.N.Z. BKG GRP 12/17 MTN	XS0805537064	5.000000	1,402	0	2,992	101.300000	2,129,081.11	1.13
Total							2,129,081.11	1.13
Total bonds denominated in AUD translated at a rate of 1.423570							2,129,081.11	1.13
Bonds denominated in EUR								
Issue country Australia								
A.N.Z. BKG GRP 14/19 FLR	XS1130526780	0.072000	0	0	1,500	100.725000	1,510,875.00	0.80
NATL AUSTR.BK 14/19FLRMTN	XS1048519836	0.183000	0	0	2,000	100.625000	2,012,500.00	1.07
NATL AUSTR.BK 16/21FLRMTN	XS1412416486	0.241000	1,500	0	1,500	101.225000	1,518,375.00	0.81
OPTUS FINANCE 10/20 MTN	XS0541498837	3.500000	1,000	0	1,000	111.108200	1,111,082.00	0.59
Total							6,152,832.00	3.27
Issue country Belgium								
KBC GROEP 16/21 MTN	BE6286238561	1.000000	1,000	0	1,000	101.432899	1,014,328.99	0.54
SOLVAY 15/17 FLR	BE6282455565	0.506000	1,000	0	1,600	100.510000	1,608,160.00	0.86
Total							2,622,488.99	1.39
Issue country Denmark								
A.P.MOELLER-MAERSK 16/19	XS1381690574	1.284000	1,700	0	1,700	102.595000	1,744,115.00	0.93
ISS GLOBAL 15/21 MTN	XS1330300341	1.125000	500	0	1,750	102.168999	1,787,957.48	0.95
Total							3,532,072.48	1.88
Issue country Germany								
COBA MTN 15/18	DE000CZ40KN6	0.500000	0	0	1,500	100.540604	1,508,109.06	0.80
CONTINENTAL MTN 13/18	XS0953199634	3.000000	0	0	1,000	104.274002	1,042,740.02	0.55
DAIMLER AG.MTN 13/18	DE000A1X3GC3	1.500000	0	0	1,000	102.757004	1,027,570.04	0.55
DAIMLER MTN 16/19	DE000A169GZ7	0.206000	0	0	1,200	100.605000	1,207,260.00	0.64
DEKA MTN IS.16/18	XS1354256643	0.172000	0	0	1,500	100.435000	1,506,525.00	0.80
DVB BANK MTN.14/19	XS1135782628	0.875000	500	0	2,000	101.131599	2,022,631.98	1.08
DVB BANK MTN.15/19	XS1267056890	1.000000	1,500	0	3,000	101.233200	3,036,996.00	1.61
DZ BANK IS.A124	DE000DZ1JPP0	2.400000	499	0	499	100.990000	503,940.10	0.27
INFINEON TECH. BONDS 15/18	XS1191115366	1.000000	600	0	1,500	101.401001	1,521,015.02	0.81
LANXESS AG 16/21 MTN	XS1501363425	0.250000	1,200	0	1,200	98.802200	1,185,626.40	0.63
LB HESS.-THUER. 16/20	XS1377695652	0.375000	1,500	0	1,500	100.577400	1,508,661.00	0.80
LBBW 16/19	XS1353555003	0.375000	0	0	1,200	100.603897	1,207,246.76	0.64
LBBW MTN.15/17 754	XS1296548214	0.137000	0	0	1,500	100.243000	1,503,645.00	0.80
SAP SE MTN FLR 15/20	DE000A14KJE8	0.000000	0	0	1,500	100.405000	1,506,075.00	0.80
Total							20,288,041.38	10.79

Security designation	ISIN number	Interest rate	Purch./ additions	Sales/ disposals	Holding	Price	Value in EUR	% share of fund assets
Shares/nominal (nom. in 1,000, rounded)								
<b>Issue country Finland</b>								
NESTE OYJ 12-17	FI4000041785	4.000000	500	0	2,000	100.530000	2,010,600.00	1.07
Total							2,010,600.00	1.07
<b>Issue country France</b>								
BPCE 16/20 MTN	FR0013094836	0.625000	0	0	1,500	101.324898	1,519,873.47	0.81
CARREFOUR BNQ. 15/19 FLR	XS1301773799	0.562500	0	0	1,500	101.465000	1,521,975.00	0.81
COMP.DE ST.-GOBAIN 16/20	XS1493428426	0.000000	1,700	0	1,700	99.360298	1,689,125.07	0.90
RCI BANQUE 14/17 FLR MTN	FR0012330124	0.256000	0	0	1,000	100.295000	1,002,950.00	0.53
RCI BANQUE 15-18 FLR MTN	FR0012674182	0.253000	500	0	1,500	100.490000	1,507,350.00	0.80
RCI BANQUE 17/22 MTN	FR0013230737	0.750000	1,000	0	1,000	99.265000	992,650.00	0.53
STE GENERALE 15/18FLR MTN	XS1264495000	0.101000	0	0	1,300	100.505000	1,306,565.00	0.69
TOTAL CAP.IN. 14/20 FLR	XS1139316555	0.000000	0	0	1,200	100.340000	1,204,080.00	0.64
Total							10,744,568.54	5.71
<b>Issue country Great Britain</b>								
BRIT. TELECOM. 16/21 MTN	XS1377680381	0.625000	1,700	0	1,700	99.922997	1,698,690.95	0.90
LLOYDS BANK 15/18 FLR MTN	XS1304487710	0.179000	300	0	1,300	100.610000	1,307,930.00	0.70
MONDI FINANCE 10/17 MTN	XS0499542396	5.750000	500	0	2,000	100.960000	2,019,200.00	1.07
NATIONWIDE BLDG 15/18 FLR	XS1315154721	0.173000	0	0	1,500	100.630000	1,509,450.00	0.80
NATIONWIDE BLDG 16/19 MTN	XS1402175811	0.500000	1,000	0	1,000	100.851501	1,008,515.01	0.54
SANTANDER UK 14/19 FLR	XS1070235004	0.312000	0	0	1,500	100.850000	1,512,750.00	0.80
SANTANDER UK 14/20 MTN	XS1136183537	0.875000	2,000	0	2,000	101.660004	2,033,200.08	1.08
TESCO C.TR.SERV.13/17 MTN	XS0992632702	1.250000	0	0	700	100.835000	705,845.00	0.38
TESCO C.TR.SERV.14/19 MTN	XS1082970853	1.375000	0	0	1,200	101.804802	1,221,657.62	0.65
VODAFONE GRP 15/20 MTN	XS1323028479	0.875000	0	0	1,250	101.658997	1,270,737.46	0.68
VODAFONE GRP 16/19MTN FLR	XS1372838083	0.637000	2,000	0	2,000	101.410000	2,028,200.00	1.08
Total							16,316,176.12	8.68
<b>Issue country Ireland</b>								
CATERP.INTL F.14/17FLRMTN	XS1071374679	0.013000	0	0	500	100.105000	500,525.00	0.27
Total							500,525.00	0.27
<b>Issue country Iceland</b>								
ICELD 14/20 MTN	XS1086879167	2.500000	2,500	0	2,500	106.673302	2,666,832.55	1.42
Total							2,666,832.55	1.42
<b>Issue country Canada</b>								
BK NOVA SCOT. 15/20 FLR	XS1166454915	0.053000	0	0	1,500	100.600000	1,509,000.00	0.80
CDP FINANCIAL 10/20	XS0516548384	3.500000	0	0	1,000	110.657700	1,106,577.00	0.59
ROYAL BK CDA 16/21 FLRMTN	XS1346650929	0.271000	0	0	1,500	101.490000	1,522,350.00	0.81
TORONTO-DOM. BK 16/21 MTN	XS1375980197	0.625000	1,600	0	1,600	101.639801	1,626,236.82	0.86
Total							5,764,163.82	3.07

## ERSTE RESPONSIBLE RESERVE

Security designation	ISIN number	Interest rate	Purch./ additions	Sales/ disposals	Holding	Price	Value in EUR	% share of fund assets
Shares/nominal (nom. in 1,000, rounded)								
<b>Issue country Luxembourg</b>								
HDLBGCEM.FIN.LU. 17/21	XS1549372420	0.500000	1,500	0	1,500	100.150000	1,502,250.00	0.80
Total							1,502,250.00	0.80
<b>Issue country New Zealand</b>								
WESTPAC SEC.NZ 14/17 MTN	XS1044486667	0.082000	0	0	1,000	100.039000	1,000,390.00	0.53
Total							1,000,390.00	0.53
<b>Issue country Netherlands</b>								
BMW FIN. NV 14/18 MTN	XS1105264821	0.500000	0	0	1,500	100.925003	1,513,875.05	0.80
DELTA LLOYD 10/17	XS0559434351	4.250000	1,500	0	1,500	103.260000	1,548,900.00	0.82
DT.TELEK.INTL F.17/21 MTN	XS1557095459	0.375000	1,700	0	1,700	99.930000	1,698,810.00	0.90
EVONIK FINANCE 16/21 MTN	DE000A185QC1	0.000000	1,000	0	1,000	98.482399	984,823.99	0.52
HDLBGCEM.FIN.LU. NTS 10/20	XS0478803355	7.500000	1,500	0	1,500	122.330597	1,834,958.96	0.98
HEINEKEN 12/19 MTN	XS0758419658	2.500000	1,000	0	1,000	105.239998	1,052,399.98	0.56
ING BK NV 16/21 MTN	XS1368576572	0.750000	2,000	0	2,000	101.748901	2,034,978.02	1.08
NED. GASUNIE 16/19 MTN	XS1520713022	0.000000	1,500	0	1,500	99.907204	1,498,608.06	0.80
RABOBK NEDERLD 16/21 MTN	XS1502438820	0.125000	800	0	800	99.243401	793,947.21	0.42
TENNET HOLDING 15/21	XS1241581179	0.875000	0	0	1,000	102.520798	1,025,207.98	0.55
Total							13,986,509.25	7.44
<b>Issue country Austria</b>								
ANDRITZ 12-19	AT0000A0VLS5	3.875000	950	0	950	107.375000	1,020,062.50	0.54
EGGER HOLZWERKSTOF. 12-19	AT0000A0WNP5	4.500000	500	0	500	108.500000	542,500.00	0.29
ERSTE GP BNK 06/17FLRMTN	XS0260783005	0.571000	1,400	0	1,400	99.960000	1,399,440.00	0.74
LENZING AG 10-17	AT0000A0K2K7	3.875000	639	0	1,889	101.840000	1,923,757.60	1.02
OMV AG 11-UND.	XS0629626663	6.750000	0	0	700	106.524399	745,670.79	0.40
OMV AG 14/18 MTN	XS1138423774	0.600000	0	0	1,200	101.019600	1,212,235.20	0.64
RAIF.BK INTL 13/18 MTN	XS0989620694	1.875000	2,500	0	2,500	102.948997	2,573,724.93	1.37
RLBK OBEROESTERR.07-17FLR	AT0000A05QN3	0.000000	2,000	0	2,000	100.001661	2,000,033.22	1.06
UNICR.BK AUS. 13/19 MTN	XS0996755350	2.500000	2,700	0	2,700	104.877998	2,831,705.95	1.51
VIENNA INS.GRP 08-UND FLR	AT0000A09SA8	8.000000	1,500	0	1,500	112.120000	1,681,800.00	0.89
VOESTALPINE 12/18 MTN	XS0838764685	4.000000	1,500	0	1,500	106.085000	1,591,275.00	0.85
Total							17,522,205.19	9.32
<b>Issue country Panama</b>								
CARNIVAL 15/19	XS1317296421	1.125000	700	0	1,500	102.606598	1,539,098.97	0.82
Total							1,539,098.97	0.82
<b>Issue country Portugal</b>								
BANCO SANT.TO. 15/20 MTN	PTBSRBOE0021	0.875000	0	0	1,500	102.223099	1,533,346.49	0.82
Total							1,533,346.49	0.82

Security designation	ISIN number	Interest rate	Purch./ additions	Sales/ disposals	Holding	Price	Value in EUR	% share of fund assets
Shares/nominal (nom. in 1,000, rounded)								
<b>Issue country Sweden</b>								
SBAB BK 16/21 MTN	XS1392159825	0.500000	1,500	0	1,500	100.643997	1,509,659.96	0.80
SCA HYGIENE 16/21 MTN	XS1419636862	0.500000	1,750	0	1,750	99.750000	1,745,625.00	0.93
SKF AB 11/18 REGS	XS0630817442	3.875000	500	0	2,000	104.915000	2,098,300.00	1.12
Total							5,353,584.96	2.85
<b>Issue country Spain</b>								
AMADEUS CAP.M. 16/20 MTN	XS1501162876	0.125000	500	0	500	99.181900	495,909.50	0.26
BBVA 16/21 MTN	XS1346315200	1.000000	0	0	1,500	101.619598	1,524,293.97	0.81
TELEFONICA EM. 16/20 MTN	XS1505554698	0.318000	1,000	0	1,000	99.367798	993,677.98	0.53
Total							3,013,881.45	1.60
<b>Issue country USA</b>								
ABBVIE 16/19	XS1520897163	0.375000	1,500	0	1,500	100.449203	1,506,738.05	0.80
AT + T 14/19 FLR	XS1144084099	0.267000	0	0	2,000	100.690000	2,013,800.00	1.07
COCA-COLA EUR.PRT.US10/17	XS0544714750	3.125000	0	0	2,015	102.105000	2,057,415.75	1.09
COCA-COLA EUR.PRT.US12/19	XS0810720515	2.000000	0	0	1,500	104.867302	1,573,009.53	0.84
CONT.RUBBER AM. 15/19 MTN	DE000A1Z7C39	0.500000	0	0	750	100.820000	756,150.00	0.40
GENL EL. 15/20 FLR	XS1238900515	0.000000	0	0	1,500	100.375000	1,505,625.00	0.80
NATL GRID NA 13/18 MTN	XS0891393414	1.750000	0	0	1,500	101.825203	1,527,378.05	0.81
Total							10,940,116.38	5.82
Total bonds denominated in EUR							126,989,683.57	67.53
<b>Bonds denominated in NOK</b>								
<b>Issue country France</b>								
BNP PARIBAS 14/19 MTN	XS1046321656	3.125000	0	0	15,000	103.470000	1,745,498.35	0.93
Total							1,745,498.35	0.93
Total bonds denominated in NOK translated at a rate of 8.891730							1,745,498.35	0.93
<b>Bonds denominated in USD</b>								
<b>Issue country Germany</b>								
HENKEL 16/19 MTN DL	XS1488419695	1.500000	2,000	0	2,000	99.058000	1,833,219.21	0.97
Total							1,833,219.21	0.97
Total bonds denominated in USD translated at a rate of 1.080700							1,833,219.21	0.97
Total securities admitted to organised markets							132,697,482.24	70.56



## ERSTE RESPONSIBLE RESERVE

### Breakdown of fund assets

Securities	174,428,249.14	92.75
Cash in banks	12,559,322.85	6.68
Interest entitlements	1,075,067.15	0.57
Other deferred items	-1,687.52	-0.00
Fund assets	188,060,951.62	100.00

Dividend shares outstanding	shares	389,011
Non-dividend shares outstanding	shares	1,295,631
Share value for dividend share	EUR	95.36
Share value for non-dividend share	EUR	116.51

1) Price contains deferred interest.

According to section II item F, item G, and item H of the prospectus, no securities lending agreements, no repurchase agreements and no total return swaps may be concluded for ERSTE RESPONSIBLE RESERVE.

### 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 Shares/nominal (nom. in 1,000, rounded)	Sales/ disposals
<b>Publicly traded securities</b>				
<b>Bonds denominated in EUR</b>				
<b>Issue country Denmark</b>				
DANSKE BK 11/16 MTN	XS0627692204	3.875000	0	1,000
<b>Issue country Germany</b>				
DT.PFBR.BANK MTN R25057	DE000A1R0550	0.068000	0	1,000
<b>Issue country France</b>				
CREDIT AGR.LN 10/16FLRMTN	XS0515004157	0.238000	0	1,000
<b>Issue country Norway</b>				
SANTANDER C.BK. 14/16 MTN	XS1074244317	1.000000	0	1,000
<b>Issue country Austria</b>				
RZB OESTER. 06/16 FLR MTN	XS0266842771	0.000000	500	1,500

Security designation	ISIN number	Interest rate	Purch./ additions Shares/nominal (nom. in 1,000, rounded)	Sales/ disposals
<b>Issue country Sweden</b>				
NORDEA BK 10/16 FLR MTN	XS0479357419	1.400000	0	310
<b>Securities admitted to organised markets</b>				
<b>Bonds denominated in AUD</b>				
<b>Issue country Netherlands</b>				
RABOBK NEDERLD 12/16 MTN	XS0741177595	5.500000	0	1,000
<b>Issue country Austria</b>				
AUSTRIA K.BK 11/16 MTN	AU3CB0170694	6.250000	0	2,000
<b>Bonds denominated in EUR</b>				
<b>Issue country Belgium</b>				
AB INBEV 15/18 FLR MTN	BE6276038419	0.000000	0	1,500
AB INBEV 16/20 FLR MTN	BE6285450449	0.434000	1,500	1,500
<b>Issue country France</b>				
AGENCE FSE DEV. 06-UND.	FR0010348052		350	2,350
STE GENERALE 15/17FLR MTN	XS1166629490	0.000000	0	1,200
<b>Issue country Great Britain</b>				
ASTRAZENECA 16/21 MTN	XS1411403709	0.250000	500	500
FCE BANK PLC 13/16 MTN	XS0888827333	1.875000	0	1,500
<b>Issue country Ireland</b>				
GE CAP.EURO.FUND.13/16FLR	XS0925518903	0.288000	0	1,500
<b>Issue country Netherlands</b>				
ADECCO INTL FINL S. 13/19	XS0953093308	2.750000	0	1,500
BMW FIN. NV 13/16 MTN FLR	XS0968315019	0.000000	0	1,000
SIEMENS FINANC. 06/66 FLR	XS0266838746	0.000000	0	1,500
<b>Issue country Austria</b>				
ERSTE GP BNK AG 11/16 MTN	XS0616431689	4.250000	0	700
UNICR.BK AUS. 11-16/2 FLR	AT000B042098	2.750000	0	1,398
<b>Issue country Spain</b>				
BBVA SEN.F.UNIP.13/16 MTN	XS0901738392	3.250000	0	700

## ERSTE RESPONSIBLE RESERVE

Security designation	ISIN number	Interest rate	Purch./ additions Shares/nominal (nom. in 1,000, rounded)	Sales/ disposals
<b>Issue country USA</b>				
COCA-COLA CO. 15/19 FLR	XS1197832832	0.000000	0	1,500
MCDONALDS CORP. 15/19 FLR	XS1237187718	0.000000	1,000	2,000
MCDONALDS CORP. 16/21 MTN	XS1403263723	0.500000	1,000	1,000

### Unlisted securities

### Bonds denominated in EUR

### Issue country Austria

DIE ERSTE OEST. SCP 10-16	AT0000A0HB05	4.000000	0	1,000
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Vienna, 18 April 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](http://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 RESERVE  
mutual fund pursuant to the InvFG,

consisting of the fund portfolio as of 31 January 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 31 January 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 April 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 RESERVE

## Mutual fund pursuant to the InvFG

The Fund Terms and Conditions for ERSTE RESPONSIBLE RESERVE, 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 euro-denominated

- Money market instruments,
- Variable-income bonds that are issued by credit institutions domiciled in Europe,
- Fixed-income bonds that are issued by credit institutions domiciled in Europe and with short remaining terms to maturity,

from entities operating under business policies that the Management Company can recognise to contain sustainable fundamental principles in the form of directly purchased individual instruments, in other words not indirectly or directly through investment funds or through derivatives.

In addition, the Fund may invest in euro-denominated corporate bonds issued by entities domiciled in Europe without restrictions on the issuer's sectors of activity, but the bonds must be in the investment grade (or other comparable) segment in terms of ratings assigned by recognised rating agencies.

Securities and money market instruments will primarily be purchased that have been issued by entities 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) may comprise up to 100% of the fund assets.

b) Money market instruments

Money market instruments may comprise up to 100% of the fund assets.

c) Securities and money market instruments

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 expectation of impending losses experienced by money market instruments, the Fund can hold a lower proportion of money market instruments 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 0.75% 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 February to 31 January.

### **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 2 May 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 2 May 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 2 May 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 2 May of the following financial year.

The Management Company shall provide suitable proof from the banks managing the corresponding securities accounts that the share certificates could 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 of the Austrian Income Tax Act (Einkommensteuergesetz) 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 0.24% 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 July 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](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)<br>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. | Peru:         | Bolsa de Valores de Lima   |
| 3.18. | Philippines:  | Manila   |
| 3.19. | Singapore:    | Singapore Stock Exchange   |
| 3.20. | South Africa: | Johannesburg   |
| 3.21. | Taiwan:       | Taipei   |
| 3.22. | Thailand:     | Bangkok  |
| 3.23. | USA:          | New York, American Stock Exchange (AMEX), New York Stock Exchange (NYSE), Los Angeles/<br>Pacific Stock Exchange, San Francisco/Pacific Stock Exchange, Philadelphia, Chicago, Boston,<br>Cincinnati |
| 3.24. | Venezuela:    | Caracas  |

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## ERSTE RESPONSIBLE RESERVE

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3.25 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"]

**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](http://www.erste-am.at).

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